

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

HAITI

BASIC EDUCATION PROGRAM

LOAN PROPOSAL

(HA-0038)

HAITI
BASIC EDUCATION PROJECT
(HA-0038)

CONTENTS

	<u>Page</u>
MAP	
SOCIO ECONOMIC DATA	
EXECUTIVE SUMMARY	
I. FRAME OF REFERENCE	1
A. Socioeconomic Context	1
B. The Education Sector	1
C. The Government's Education Strategy	4
D. Commitments made by IDB and other International Agencies	4
E. Bank Strategy	5
F. Program Strategy	6
II. PROJECT DESCRIPTION	7
A. Objectives	7
B. Description of Phase I Components	8
1. Component 1: Improved Access (IDB: US\$4.7 million)	8
2. Component 2: Improved Quality (IDB: US\$9.25 million)	9
3. Component 3: Improved Local Management Capacity(IDB: US\$4.8 million)	11
C. Project Administration (IDB: US\$0.9 million)	13
D. Costs and Financial Plan	13
III. INSTITUTIONAL FRAMEWORK AND PROJECT EXECUTION	15
A. Borrower and executing agency	15
B. Project execution	15
1. Execution mechanisms	15
2. Other specialized agencies	16
3. Execution schedule	17
4. Procurement of goods and services	17
C. Supervision	18
D. External auditing	19
E. Evaluations and preparation of Phase II	19
F. Complementary activities to be carried out prior to first disbursement	20
IV. FEASIBILITY AND RISKS	21
A. Project Feasibility	21
1. Technical Feasibility	21

2.	Socioeconomic Feasibility	21
3.	Institutional Feasibility	22
4.	Fiscal Financial Feasibility	22
5.	Social and Environmental Feasibility	25
B.	Benefits	25
C.	Risks	26
1.	Institutional constraints	26
2.	Fiscal Constraints	26

LIST OF ANNEXES

Annex I	Logical Framework
Annex I-A	Key Indicators (Phase I)
Annex II	Procurement Plan

LIST OF APPENDICES

Project Resolutions

LIST OF TECHNICAL MATERIAL AVAILABLE IN THE PROJECT FILES

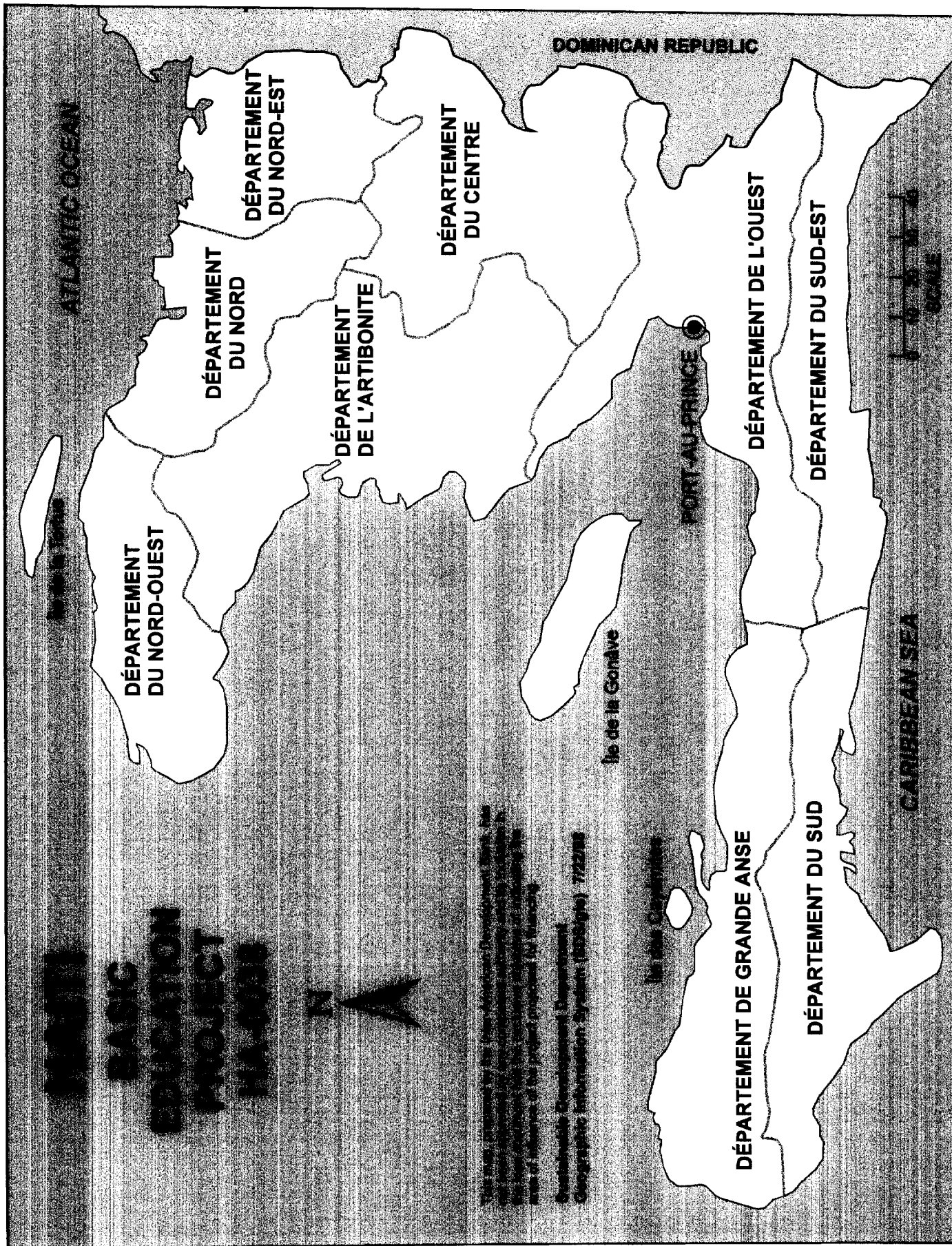
For Project Execution:

1. Avant-Projet de Loi Organique
2. Avant-Projet de Loi d'Orientation de l'Education--Document de travail
3. Contrat Nutrition-Sante
4. Contrat Pedagogique d'Ecole
5. Current MENJS salary scale (Source: Ministry of Finance)
6. Detailed description of activities under each component of the BEP
7. Eligibility criteria for new school construction
8. Eligibility criteria for school rehabilitation and reconstruction
9. FAES: Projet Pilote d'Appui aux Communautés
10. IDB Disbursement Request Form (in English and French)
11. MENJS' new organizational chart
12. Partial list of schools constructed by FAES
13. Project Cost Tables (detailed and summary)
14. Recurrent costs estimates: tables and formulas
15. Summary table with indicative figures for basic education project (Ballpark figures)
16. Synthesis matrix of donors' support in education
17. Terms of Reference for Study on Alternative Financial Strategies

ABBREVIATIONS

APL	Adaptable Program Lending
BDS	Bureau de distrit scolaire
BEP	Basic Education Project (<i>Projet Education de Base</i>)
BIZ	Bureau de l'inspecteur de zone
BUNEXE	National Office of State Examinations (<i>Bureau national des examens d'état</i>)
CAP	Certificate of Pedagogical Aptitude (<i>Certificat d'aptitude pédagogique</i>)
CAS	Country Assistance Strategy
CEP	Certificate of Primary Studies (<i>Certificat d'étude primaire</i>)
CFCE	Training Centre for Education Managerial Staff (<i>Centre de formation des cadres de l'éducation</i>)
CFEF	Teacher Training Center for Basic Education (<i>Centre de Formation pour l'Enseignement Fondamental</i>)
CIDA	Canadian International Development Agency
CMU	Country Management Unit
CNEH	National Confederation of Haitian Teachers (<i>Confédération nationale des enseignants d'Haiti</i>)
CNRA	National Committee for Administrative Reform (<i>Comité National de la Réforme Administrative</i>)
CPE	Educational School Contracts (<i>Contrats Pédagogiques d'Ecole</i>)
CSNE	Contrat santé-nutrition d'école
DAA	Direction des affaires administratives (MENJS)
DAEPP	Direction de l'appui à l'enseignement privé et au partenariat (MENJS)
DCQ	Direction du curriculum et de la qualité (MENJS)
DDE	Departmental Education Management (<i>Direction Départementales d'Education</i>)
DEF	Direction de l'enseignement fondamental (MENJS)
DFP	Direction de la formation et du perfectionnement (MENJS)
DGE	Direction générale (MENJS)
DGS	Directorate of School Infrastructure (<i>Direction du Génie Scolaire</i>)
DP	Direction du personnel (MENJS)
DPCE	Cooperation and Planning Department (<i>Direction de la Planification et de la Coopération Externe</i>)
EFACAP	Centers for Practical Training and Pedagogical Support (<i>Ecoles Fondamentales d'Application et Centres d'Appui Pédagogique</i>)
EMIS	Education management information system
EMMUS	Enquête sur la mortalité, la morbidité et l'utilisation des services
ENI	National School for Primary Education Teachers (<i>Ecole Nationale d'Instituteurs</i>)
EU	European Union
EXENP	(Projet d') extension de l'enseignement normal et primaire
FAES	Economical and Social Assistance Fund (<i>Fonds d'Assistance Economique et Sociale</i>)

FONHEP	Haitian Fondation of Private Education (<i>Fondation haïtienne de l'enseignement privé</i>)
GDP	Gross Domestic Product
GER	Gross Enrollment Ratio
GNP	Gross National Product
GoH	Government of Haïti
HNP	Health, Nutrition and Population
IBRD	International Bank for Reconstruction and Development (World Bank)
ICB	International Competitive Bidding
ICG	Implementation Consultative Group
IDB	Inter-American Development Bank
IHSI	Institut Haïtien des Statistiques et de l'Informatique
ITAP	Introduction à la Technologie et aux Activités Productives
MENJS	Ministry of Education (<i>Ministère de l'Éducation, de la Jeunesse et des Sports</i>)
MPCE	Ministère du Plan et de la Coopération Externe
MSP	Ministry of Health (<i>Ministère de la Santé Publique</i>)
MF	Ministry of Finance (<i>Ministère des Finances</i>)
NCB	National Competitive Bidding
NER	Net Enrollment Ratio
NGO	Non-Governmental Organization
OECD	Organization for Economic Cooperation and Development
PAEH	Projet d'Assistance à l'Éducation en Haïti
PAHO	Pan American Health Organization
PCT	Project Coordinating Team
PEB	Basic Education Project (<i>Projet d'éducation de base</i>)
PM	Personnel Management
PNEF	National Education & Training Plan (<i>Plan National d'Éducation et de Formation</i>)
PRI	Project de Renforcement Institutionnel
TC	Technical Cooperation
UAT	Technical Support Unit (<i>Unité d'Appui Technique</i>)
UNDP	United Nations Development Program
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
WHO	World Health Organization



**BASIC
EDUCATION
PROJECT
HA-0008**

This map prepared by the Inter-American Development Bank, has not been subjected to the usual cartographic review and its inclusion in this report does not constitute an endorsement or approval of the views or information of the project presented for financing.

Quadrangle Development Department
Geographic Information System (GIS/IGIS) 7/22/88

HAITI

Basic Socio-Economic Data
Statistics and Quantitative Analysis Unit
Integration and Regional Programs Department

Executive Summary

Social Statistics

Land Area (Km ²)	1997	27,750
Population (Thousands)	1997	7,482
Population Under 15 (Percent)	1996	40.2
Population 60 and Over (Percent)	1996	6.0
Population (Average Annual Growth Rate)	1988-1997	1.9
Rural (Percent)	1997	67.6
Density (Population per Km ²)	1997	269.6
Vital Statistics		
Total Fertility (Rate per Woman)	1996	4.3
Crude Birth (Rate per 1,000 Population)	1996	32.0
Infant Mortality (Rate per 1,000 Live Births)	1996	72.0
Crude Death (Rate per 1,000 Population)	1996	12.0
Life Expectancy at Birth (Years)	1996	55.0
Poverty and Inequality		
Gini Coefficient		...
IDB Poverty Incidence (Percent)		...
Poverty Gap (Percent)		...
Labor Force (Thousands)	1995	3,146
Participation Rate (Percent)	1995	74.1
Unemployment Rate (Percent)		...
Real Minimum Wage (Index 1990 = 100)	1995	131.6
Education		
Gross Enrollment Ratio - Primary	1995	50.6
Gross Enrollment Ratio - Secondary	1995	23.6
Gross Enrollment Ratio - Tertiary	1985	1.2
Pupil/Teacher Ratio - Primary	1995	29.0
Pupil/Teacher Ratio - Secondary	1995	19.0
Average Years of Schooling (Population > 25 Years)	1995	1.7
Illiteracy (Percent)	1995	55.0

17 August 1998

HAITI

Basic Socio-Economic Data
Statistics and Quantitative Analysis Unit
Inter-American Development Bank

Executive Summary

Economic Statistics

Exchange Rate (Gourdes/US\$)	6-1998	15.4
GDP per Capita (Average Annual Growth Rate)	1988-1997	-5.0
GDP (Average Annual Growth Rate)	1988-1997	-3.0
Agriculture	1988-1997	-2.5
Agriculture Terms of Trade		...
Industry	1988-1997	-7.0
Services	1988-1997	-1.8
Gross Domestic Investment (% of GDP)	1997	3.4
Gross Domestic Saving (% of GDP)	1997	-14.2
Consumer Prices (Twelve Month Variation)	5-1998	11.9
NF Public Sector Overall Balance (% of GDP)	1997	-0.7
Domestic Credit (% of GDP)	1997	25.9
Private Sector	1997	15.1
Public Sector	1997	10.8
Balance of Payments (Millions of US\$)		
Current Account Balance	1997	-86
Trade Balance	1997	-320
Capital and Financial Account Balance	1997	93
Change in Reserves (- Increase)	1997	-34
Current Account Balance (% of GDP)	1997	-3.4
Capital and Financial Account Balance (% of GDP)	1997	3.6
Total External Debt (Millions of US\$)	1997	1,028
Long-Term Debt	1996	836
Short-Term Debt	1996	35
Total Debt Service	1997	32
Interest Payments	1996	2
Debt to GDP Ratio (Percent)	1997	40.2
Debt Service Ratio (Percent)	1997	11.2

17 August 1998

HAITI

Basic Socio-Economic Data

1. Poverty and Inequality

In Percent

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Gini Coefficient
Urban
Rural
IDB Poverty Incidence
Urban
Rural
Poverty Gap
Urban
Rural

2. Health and Nutrition

Mortality by Cause - In Percent

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Communicable and Perinatal Diseases
Non-Communicable Diseases
External and Other Causes
Ill Defined Causes

Percent of Central Government Expenditure

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Expenditure on Health
Hospitals
Clinics and Practitioners
Other

Immunization as Percent of Age Group

Nutrition/Per Capita in Units

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Other Indicators										
Children (<1 Yr) Immunized DPT3	54.0	50.0	41.4	...	29.5	30.0	30.0	...	...	...
Children (<1 Yr) Immunized Measles	63.0	31.0	31.1	...	24.1	24.0	24.0	...	...	...
Access to Safe water (% Population)	...	...	...	...	...	...	...	28.0	...	...
Doctors per 1000 Inhabitants	...	0.1	0.2	0.2	0.1	...	0.4	...	...	...
Hospital Beds per 1000 Inhabitants	...	...	0.8	...	...	0.8	0.8	...	...	...
Daily Caloric Intake	1800.0	1777.0	1774.0	1733.0	1706.0	...	...	...	...	...
Daily Protein Intake (grams)	45.4	43.0	41.5	41.2	40.3	...	...	...	...	...

3. Education

In Percent

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Net Enrollment Ratios										
Primary	26.9	26.4	25.9	...	...	...	...	...	...	...
Gross Enrollment Ratios										
Primary	58.2	57.1	56.0	54.9	53.8	52.7	51.7	50.6	...	...
Secondary	20.7	21.4	22.0	22.6	23.3	23.9	23.8	23.6	...	...
Tertiary	...	...	...	...	...	...	...	...	...	...
Primary Survival Rate	41.8	41.8	...	...	...	...	...	...	...	...

HAITI

Basic Socio-Economic Data

3. Education (cont.)

Ratios

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Pupil/Teacher Ratios										
Primary	34.0	30.0	29.0	29.0	29.0	29.0	29.0	29.0	...	...
Secondary	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	...	...

Percent of Central Government Expenditure

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Expenditure on Education
Pre-Primary through Secondary
Tertiary
Other

4. Labor Market

In Percent Index 1990=100

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Labor Force by Sector										
Agriculture	...	...	...	...	...	...	...	...	...	...
Industry	...	...	...	...	...	...	...	...	...	...
Services	...	...	...	...	...	...	...	...	...	...
Participation Rate	76.0	75.3	74.8	74.7	74.5	74.4	74.2	74.1	...	...
Male	89.2	88.7	88.2	88.1	87.7	87.3	87.0	86.8	...	...
Female	63.7	63.0	62.4	62.4	62.4	62.3	62.3	62.3	...	...
Unemployment Rate	...	...	...	...	...	...	...	...	...	...
Real Minimum Wage Index	133.7	120.5	100.0	84.6	71.7	60.3	44.3	131.6	...	...

5. Exchange Rates

Gourdes/US\$, End of Period Index 1990=100

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Exchange Rate	5.0	5.0	5.0	7.5	11.0	12.8	12.9	...	...	...
Real Effective Index	87.6	89.5	100.0	129.7	131.3	124.7	124.7	125.0	92.3	85.0

6. Prices

Average Annual Growth Rates in Percent

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Consumer Price Index	4.1	7.9	20.4	18.2	17.9	18.9	37.4	30.2	20.5	16.1
Wholesale Price Index	...	...	...	...	...	...	...	...	...	...

7. International Liquidity

Millions of US\$

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Reserves	13	13	3	17	...	...	31	106	108	77
Reserves minus Gold	13	13	3	17	...	...	31	106	108	77
Special Drawing Rights (SDRs)	0	0	0	0	0	0	0	1	0	0
Reserve Position in the IMF	0	0	0	0	0	0	0	0	0	0
Foreign Exchange	13	12	3	17	...	...	31	105	108	77
Gold (National Valuation)	...	...	...	...	...	...	...	...	...	...

HAITI

Basic Socio-Economic Data

8. National Accounts

Millions of 1990 US\$ 1990 US\$

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Gross Domestic Product	2147	2115	2051	1989	1695	1650	1475	1541	1582	1600
GDP Per Capita	345	333	316	300	251	239	210	215	216	214

Annual Growth Rates in Percent - Constant Prices

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
GDP Per Capita	-3.5	-3.5	-5.0	-5.0	-16.5	-4.6	-12.4	2.3	0.6	-0.9
GDP by Type of Expenditure (MP)	-1.5	-1.5	-3.0	-3.0	-14.8	-2.6	-10.6	4.4	2.7	1.1
Consumption	-1.4	-0.1	-1.2	6.7	-13.0	10.6	-13.9	21.2	0.0	0.9
Gross Domestic Investment	-14.1	2.4	0.9	-7.9	-73.7	-8.3	-56.7	88.7	-1.5	-1.5
Exports of Goods and Services	3.5	-1.8	1.2	-10.8	-47.6	35.7	-34.8	50.9	6.6	7.7
Imports of Goods and Services	-3.9	3.7	5.9	13.5	-44.9	60.4	-31.8	77.2	-2.0	2.7
GDP by Sector of Origin (MP)										
Agriculture, Forestry and Fishing	-1.3	-1.1	-3.7	-0.1	-1.1	-2.6	-1.7	-10.1	-0.3	-2.5
Mining and Quarrying	0.0	0.0	0.0	-1.4	-12.9	-18.0	20.0	22.2	9.8	10.5
Manufacturing	-2.6	-2.1	-7.0	-17.7	-21.5	-0.8	-33.3	9.6	3.0	0.8
Electricity, Gas and Water	10.2	3.7	-1.8	-10.7	-18.4	2.9	-31.0	32.5	11.2	-1.9
Construction	1.0	3.1	-9.1	3.5	-54.0	-3.5	-25.0	31.4	17.2	11.5
Wholesale and Retail Trade	-1.1	0.0	-1.0	-3.0	-40.0	-14.4	-25.0	24.1	0.7	0.6
Transport and Communications	4.0	4.9	0.0	-6.6	-12.0	-12.5	-40.3	6.7	2.9	0.6
Financial Services	2.1	0.1	4.6	1.7	-5.0	-6.4	-10.5	4.0	1.3	1.4
Government	-7.2	-12.1	-3.8	-1.2	2.0	10.0	5.0	-0.7	1.2	-0.1
Other Services	4.4	10.9	6.2	6.7	-9.5	-5.3	-17.8	67.3	13.1	11.8

Composition in Percent - Current Prices

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
GDP by Type of Expenditure (MP)										
Consumption	100.2	104.2	106.6	111.9	106.9	119.7	116.9	114.2
Gross Domestic Investment	12.2	11.2	3.7	3.8	1.6	3.7	3.9	3.4
Exports of Goods and Services	14.7	11.6	6.1	7.5	3.8	6.6	5.8	5.5
Imports of Goods and Services	27.1	27.0	16.3	23.2	12.4	30.1	26.5	23.1
GDP by Sector of Origin (MP)										
Agriculture, Forestry and Fishing
Mining and Quarrying
Manufacturing
Electricity, Gas and Water
Construction
Wholesale and Retail Trade
Transport and Communications
Financial Services
Government
Other Services

HAITI

Basic Socio-Economic Data

9. Non-Financial Public Sector

As a Percent of GDP

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Current Revenues	7.3	7.6	5.5	5.5	3.2	8.0	9.2	11.4
Current Expenditures	8.8	8.7	8.4	9.8	7.1	13.7	11.5	12.3
Current Savings	-1.5	-1.1	-2.8	-4.3	-3.9	-5.7	-2.3	-0.9
Capital Expenditures	5.1	4.5	0.4	1.0	0.4	1.0	0.4	1.7
Overall Balance (- Deficit)	-6.2	-5.0	-2.3	-3.0	-3.0	-8.3	-2.7	-0.7
Domestic Financing	1.6	0.7	2.0	2.0	3.0	-0.2	2.4	-0.3

10. Monetary Survey

As a Percent of GDP

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Domestic Credit	31.3	30.1	37.6	42.9	33.5	27.4	26.4	25.9
Public Sector	19.4	18.2	23.8	27.0	21.7	14.1	13.7	10.8
Private Sector	11.9	11.9	13.7	15.9	10.8	13.3	12.7	15.1
Money (M1)	14.0	13.6	16.8	19.3	17.7	15.0	12.3	11.5

11. External Trade

Direction in Percent - Customs Basis Index 1990=100

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Exports of Goods (fob)										
Developed Countries	97.4	97.4	98.4	99.3	95.6	96.2	96.6	97.8	97.3	97.9
Developing Countries	2.6	2.6	1.6	0.7	4.4	3.8	3.4	2.2	2.7	2.1
Latin America	1.3	1.3	0.9	0.5	3.8	2.7	1.0	0.7	1.1	0.8
Imports of Goods (fob)										
Developed Countries	77.8	77.8	77.3	78.9	83.2	80.4	81.2	84.8	78.0	79.4
Developing Countries	22.2	22.2	22.7	21.1	16.8	19.6	18.8	15.2	22.0	20.6
Latin America	9.8	9.8	6.8	8.0	6.4	9.6	8.3	8.8	12.2	12.7
Terms of Trade Index	113.5	86.8	100.0	84.1	79.9	80.7	80.8	85.7	80.7	87.5

Millions of US\$ - Customs Basis Composition in Percent

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Exports of Goods (fob)	200.0	177.1	158.0	154.6	121.0	...	...	...	...	...
All Food	21.8	22.7	13.5	14.8	12.6	...	...	...	...	...
Agricultural Raw Materials	1.1	1.0	1.3	1.3	1.7	...	...	...	...	...
Fuels	...	...	...	...	...	...	...	...	...	...
Ores and Metals	1.2	1.0	0.2	...	...	...	...	...	...	...
Manufactured Goods	75.9	75.3	85.0	83.9	85.7	...	...	...	...	...
Chemicals	1.8	1.2	2.0	1.3	1.7	...	...	...	...	...
Machinery and Transport Equipment	17.6	15.1	13.9	13.6	14.3	...	...	...	...	...
Other Manufactured Goods	56.5	58.9	69.1	69.0	69.7	...	...	...	...	...
Imports of Goods (cif)	...	...	...	...	...	...	...	...	...	...
Capital Goods	17.9	17.0	14.6	15.2	...	...	...	...	...	...
Consumption Goods	37.2	36.0	35.8	39.4	...	...	...	...	...	...
Intermediate Goods	35.4	37.5	44.3	39.3	...	...	...	...	...	...
Fuels	8.9	8.5	9.4	12.7	...	...	...	...	...	...
Other	9.5	9.5	5.2	6.2	...	...	...	...	...	...

HAITI

Basic Socio-Economic Data

12. Balance of Payments

Millions of US\$

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Current Account Balance	-40	-63	-22	-56	8	-17	4	-38	-74	-86
Trade Balance	-104	-111	-177	-247	-139	-185	-84	-380	-351	-320
Exports of Goods (fob)	180	148	266	202	76	82	57	137	148	193
Imports of Goods (fob)	284	259	443	449	214	267	141	517	499	512
Services Balance	-103	-100	-20	-26	3	6	-57	-180	-174	-193
Transportation	-81	-78	-26	-31	-22	-17	-45	...	...	...
Travel	40	37	-3	5	19	13	-9	...	...	...
Other Services	-61	-60	9	0	...	...	-3	...	...	...
Addendum: Freight and Insurance	-53	-52	5	4	1	2	-31	...	...	...
Income Balance	-27	-26	-18	-18	-12	-11	-11	-31	-11	-14
Compensation of Employees	...	...	...	...	...	...	...	...	...	...
Investment Income	-27	-26	-18	-18	-12	-11	...	...	...	...
Current Transfers Balance	193	174	193	234	155	173	156	553	463	441
General Government	130	115	132	165	85	100	113	444	311	185
Other Sectors	63	59	61	70	70	73	43	109	152	256
Capital and Financial Account Balance	25	70	29	33	-3	-2	21	128	81	93
Capital Account Balance	...	...	...	...	...	...	...	...	...	...
Financial Account Balance	25	70	29	33	-3	-2	21	128	81	93
Direct Investment	10	9	8	14	...	...	...	7	4	5
Abroad	...	...	8	14	...	...	...	...	...	...
In Reporter	10	9	...	...	...	...	...	...	...	...
Portfolio Investment	...	...	...	...	...	...	...	...	...	...
Assets	...	...	...	...	...	...	...	...	...	...
Liabilities	...	...	...	...	...	...	...	...	...	...
Other Investment	15	60	21	20	-3	-2	21	120	77	88
Assets	-3	22	-23	-16	-13	-31	-6	...	...	...
Liabilities	18	39	44	36	10	29	27	...	...	...
Change in Reserves (- Increase)	1	4	39	-20	-11	-19	13	-176	49	-34
Errors and Omissions	14	-11	-46	43	6	37	-38	86	-56	27

13. External Debt

Millions of US\$

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Total Debt	804	790	865	744	764	773	683	805	896	1028
Long-Term Debt	685	688	751	621	638	648	635	751	836	...
Public and Publicly Guaranteed	685	688	751	621	638	648	635	751	836	...
Bilateral	193	192	215	66	69	66	44	141	145	...
Multilateral	432	450	489	508	522	515	524	610	691	...
Bond Holders	0	0	0	0	0	0	0	0	0	...
Banks	48	47	47	47	47	67	67	0	0	...
Suppliers	0	0	0	0	0	0	0	0	0	...
Other Creditors	12	0	0	0	0	0	0	0	0	...
Private Non-Guaranteed	0	0	0	0	0	0	0	0	0	...
Use of IMF Credit	47	41	38	33	35	34	35	29	25	...
Short-Term Debt	71	61	77	91	91	91	13	26	35	...
Interest Arrears on Debt	17	16	24	14	21	30	34	1	1	...
Total Debt Service	67	63	33	27	5	5	79	94	26	32
Public and Publicly Guaranteed	23	25	11	12	1	0	1	55	21	...
Bilateral	13	13	2	2	0	0	0	2	3	...
Multilateral	8	10	10	11	1	0	1	53	17	...
Private Non-Guaranteed	0	0	0	0	0	0	0	0	0	...
IMF Repurchases and Chhties	30	23	15	7	0	0	0	38	4	...
Short-Term Debt (Interest Only)	14	15	7	8	5	5	79	2	2	...

HAITI

Basic Socio-Economic Data

13. External Debt (cont.)

Ratios in Percent

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Debt to GDP Ratio	...	...	44	34	41	50	41	41	42	40
Debt Service Ratio	24	26	10	10	5	4	124	39	10	11

... Not Available

0.0 Indicates that the amount is nil or negligible

HAITI

Basic Socio-Economic Data

Sources and Notes

Executive Summary

Social Statistics:

Land Area: Organization of American States (OAS), América en cifras, 1974.

Population: IDB estimates based on data from Latin America Demographic Center (CELADE) and United Nations Population Division (UNPOP).

Vital Statistics:

World Bank, Social Indicators of Development (WBSID).

Labor Force:

WBSID and UNPOP.

Education:

Average Years of Schooling (Population > 25 yrs): Number of completed grades of formal education of population older than 25 years. IDB estimates based on data from United Nations Educational, Scientific and Cultural Organization (UNESCO), using the Perpetual Inventory Method.

Illiteracy: Number of adult illiterates as a percentage of that age group. UNESCO.

Economic Statistics:

Agricultural Terms of Trade: Index of ratio of agricultural GDP deflator to non-agricultural GDP deflator.

IDB estimates from National Accounts data. Base year 1990.

1. Poverty and Inequality:

2. Health and Nutrition:

Mortality Causes: Main causes of death by type of disease. Pan American Health Organization (PAHO).

Immunization: Percentage of children under one year who have been immunized for dpt3 and measles. WBSID and PAHO.

Access to Safe Water: Percentage of population with access to safe water. WBSID.

Doctors/hospital beds per 1000 inhabitants: IDB estimates based on data from WBSID.

Calorie and Protein Daily Intake: Apparent daily per capita average intake. Food and Agriculture Organization of the United Nations (FAO).

3. Education:

Net Enrollment Ratio Primary: Enrollment for the age group corresponding to the official age of primary education. UNESCO.

Gross Enrollment Ratio: Total enrollment in primary, secondary or tertiary education, regardless of age, divided by the population of the age-group which officially corresponds to primary, secondary or tertiary (ages 20 to 24 only) education. IDB estimates based on data from UNESCO and UNPOP.

Primary Survival Rate: Percentage of children of the same cohort starting primary school in a certain year who eventually finish it. IDB estimates based on data from UNESCO, using the Reconstructed Cohort Method with enrollment and repetition data.

Pupil/Teacher Ratio: Number of students per teacher in primary and in secondary school. IDB estimates based on data from UNESCO.

4. Labor Market:

Participation Rate: Economically Active Population as a percentage of population age 15 and older. IDB estimates based on data from WBSID and UNPOP.

Real Minimum Wage Index: Base year 1990. IDB.

HAITI

Basic Socio-Economic Data

5. Exchange Rates:

International Monetary Fund (IMF), International Financial Statistics (IFS) and Banque de la République d'Haïti. Official rate from 1985-86, and Reference rate from 1987- 1994.

Real Effective Index: IDB estimates based on data from the IMF.

6. Prices:

IMF, IFS. Annual figures are expressed as average annual growth rates; monthly figures as a twelve month variation.

7. International Liquidity:

IMF, IFS.

8. National Accounts:

GDP in 1990 US Dollars: IDB estimates.

GDP by Type of Expenditure and Sector of Origin: Institut Haïtien de Statistiques et d'Informatique, Banque de la République d'Haïti and IMF estimates. Fiscal Year ending September 30.

9. Non-Financial Public Sector:

Ministère de l'Economie et des Finances and IMF estimates. Fiscal year ending September 30.

10. Monetary Survey:

IMF, IFS and IDB estimates based on information from the Banque de la République d'Haïti (mid-year observations).

11. External Trade:

Trade by Direction: IMF, Direction of Trade Statistics.

Terms of Trade: ECLAC, Balance preliminar de la economía de América Latina y el Caribe.

Export Composition: United Nations Statistical Division (UNSTAT) Commodity Trade (COMTRADE) Data Base and Monthly Bulletin of Statistics (MBS). Exports include Re-Exports.

Import Composition: Bulletin de la Banque de la République d'Haïti. Fuels include Crude Petroleum.

12. Balance of Payments:

Banque de la République d'Haïti and IMF, Balance of Payments Statistics.

13. External Debt:

World Bank, World Debt Tables and estimates.

HAITI

Regional Support Services

RE1/RO

IDB LOANS

APPROVED AS OF JULY 31, 1998

	US\$Thousand	Percent
TOTAL APPROVED	665,123	
DISBURSED	416,164	62.6%
UNDISBURSED BALANCE	248,959	37.4%
CANCELLATIONS	15,225	2.3%
PRINCIPAL COLLECTED	79,333	11.9%
APPROVED BY FUND		
ORDINARY CAPITAL	0	0.0%
FUND FOR SPECIAL OPERATIONS	658,764	99.0%
OTHER FUNDS	6,359	1.0%
OUTSTANDING DEBT BALANCE	336,831	
ORDINARY CAPITAL	0	0.0%
FUND FOR SPECIAL OPERATIONS	335,703	99.7%
OTHER FUNDS	1,128	0.3%
APPROVED BY SECTOR		
AGRICULTURE AND FISHERY	57,699	8.7%
INDUSTRY, TOURISM, SCIENCE TECHNOLOGY	22,882	3.4%
ENERGY	0	0.0%
TRANSPORTATION AND COMMUNICATIONS	214,112	32.2%
EDUCATION	34,034	5.1%
HEALTH AND SANITATION	114,042	17.1%
ENVIRONMENT	0	0.0%
URBAN DEVELOPMENT	0	0.0%
SOCIAL INVESTMENT AND MICROENTERPRISE	156,350	23.5%
REFORM PUBLIC SECTOR MODERNIZATION	55,495	8.3%
EXPORT FINANCING	3,117	0.5%
PREINVESTMENT AND OTHER	7,393	1.1%

* Net of cancellations with monetary adjustments and export financing loan collections

HAITI

REGIONAL SUPPORT SERVICES ITC/IRO

TENTATIVE LENDING PROGRAM

			US\$ Millions
1998			
HA0014	POTABLE WATER AND SANITATION SECTOR REF	54.0	APPROVED
HA0045	ORGAN.& RATIONALIZATION OF HEALTH SECTOR	22.5	APPROVED
HA0038	BASIC EDUCATION PROGRAM	19.4	
HA0084	TC: INST.STRENGTHENING SUPERIOR COURT AC	2.7	
HA0034	TC: PARLIAMENT INSTITUTIONAL STRENGTHENI	7.7	
HA0083	TC: MODERNIZATION OF THE CIVIL REGISTRY	2.7	
TOTAL A		109.0	
HA0016	AGRICULTURAL INTENSIFICATION	30.0	
TOTAL B		30.0	
TOTAL 1998		139.0	
1999			
HA0079	NUTRITION PROGRAM	20.0	
HA0017	REFORMA ENTRENAMIENTO Y REVITALIZACION	22.0	
HA0087	NATIONAL ROAD REHABILITATION II	50.0	
HA0015	RURAL ELECTRICAL GENERATION	70.0	
HA0088	FAES III	30.0	
TOTAL A		192.0	
HA0086	TC: INST.STRENG.NAT.INST. OF STATISTICS	3.0	
HA0082	PTMO CT SUPPORT TO EXECUTIVE BRANCH	2.0	
HA0089	TC: CUSTOM MODERNIZATION AND DGI	5.5	
HA0033	PROTECTION OF ENVIROMENTAL RESOURCES	30.0	
HA0039	SANITATION SECTOR REFORM III	50.0	
TOTAL B		90.5	
TOTAL 1999		282.5	



INTER-AMERICAN DEVELOPMENT BANK
REGIONAL OPERATIONS DEPARTMENTS
INFORMATION RESOURCES MGT. UNIT

HAITI

STATUS OF ACTIVE LOANS AS JULY 31, 1998

(Amounts in US\$ thousands)

APPROVAL PERIOD	NUMBER OF PROJECTS	AMOUNT APPROVED	AMOUNT DISBURSED	% DISBURSED
Before 1992	6	137,450	86,333	62.81%
1994 - 1995	3	112,612	38,503	34.19%
1996 - 1997	4	132,495	10,553	7.96%
TOTAL	13	\$382,557	\$135,389	35.39%

* Net of Cancellations . Excluding export financing loans.

**BASIC EDUCATION PROJECT
PHASE I
(HA-0038)**

EXECUTIVE SUMMARY

BORROWER AND GUARANTOR: The Government of Haiti

EXECUTING AGENCY: The Ministry of National Education, Youth and Sports

AMOUNT AND SOURCE:

IDB:	US\$19.4 million (FSO)
IBRD:	US\$28.4 million
Local counterpart funding:	US\$ 5.1 million
Total:	US\$52.9 million

FINANCIAL TERMS AND CONDITIONS:

Amortization period:	40 years
Disbursement period:	3 years
Interest rate:	1% during the 10 year grace period, 2% thereafter.
Inspection and supervision:	1%
Credit fee:	0.50% annually on undisbursed balance.

BACKGROUND: In early 1997, the Government of Haiti produced a National Plan for Education and Training (PNEF) to serve as a strategic framework to guide all investments in education for the next ten years. The proposed project is inserted within that long-term plan. The operation is structured in phases, each phase of an approximate duration of three years. Project costs will be financed by parallel loans from IDB, IBRD and by counterpart funding from the Government. The cost of phase I (1999-2001) is estimated at US\$52.9 million of which US\$28.4 million will be financed by IBRD and US\$19.4 million by IDB. The costs for phases II and III have been roughly estimated by the Government at US\$80 million and US\$110 million respectively. The division of financing between IDB, IBRD and the Government for these subsequent phases will be determined upon preparation of each subsequent phase (par. 2.2). The approval of the second phase will be triggered by successful achievement of key indicators (See Annex IA, Key Indicators.) (See Chapter II, par.2.3, for proposed mechanism for Board approval of the second phase.)

OBJECTIVES: The objectives of the Basic Education Project (BEP), to be financed by IDB, IBRD and GOH are: (i) to improve and sustain access to primary school facilities in disadvantaged areas; (ii) to improve

the quality of basic education; and (iii) to develop planning, management and supervisory capacities at regional, district, zone and school levels. The project will have a national scope and will be targeted to the most vulnerable segments of the population (par. 2.1).

DESCRIPTION:

The project will provide integrated technical assistance, training, material inputs and targeted recurrent cost support. The costs indicated in parenthesis correspond to IDB financing only. For total component costs by source of funding (IDB, IBRD and the Government), please refer to Table 2-1. The project will attain its objectives through three main components:

1. Improved Access (US\$4.7 million): The main activities under this component will include: (i) rehabilitation and reconstruction of existing school facilities, and construction of new facilities in targeted areas; and (ii) strengthening of the normative capacity of the Department of School Infrastructure (DGS) at MENJS (par. 2.6).
2. Improved Quality (US\$9.25 million): Activities under this component will include: (i) establishment of training/resource centers, called EFACAPs, in already existing schools in targeted school districts; (ii) enhancement of teacher qualifications through pre-service and in-service teacher training; (iii) production and distribution of teaching materials; (iv) support to school-based improvement initiatives; and (v) enhancement of the exams and evaluation system (IBRD financing only) (par. 2.11).
3. Improved Local Management Capacity (US\$4.8 million): Activities to improve local management capacities will include: (i) enabling school inspectors at the district and zone levels; (ii) establishing mechanisms to stimulate and sustain effective community participation in school management; (iii) developing an educational management information system; and (iv) developing decentralized personnel management capabilities within the MENJS structure (IBRD financing only) (par. 2.21).

**RELATIONSHIP OF
PROJECT TO BANK'S
COUNTRY AND SECTOR
STRATEGY:**

Support to the education sector is a priority within the Bank's strategy for Haiti. In addition, this program moves forward the Bank's agenda to promote decentralization and establishment of new

partnerships between the public and the nonpublic sectors in view of inducing greater efficiency in the delivery of education services.

**ENVIRONMENTAL/
SOCIAL REVIEW:**

The construction and rehabilitation works to be financed through the project will not have adverse environmental impact (par. 4.21). The social impact of the project will benefit all groups, but it will be particularly beneficial to girls (par. 4.20).

BENEFITS:

In addition to the positive social impact resulting from targeting the most vulnerable segments of the population, the proposed investment will yield two types of economic benefits: (i) those stemming from improved internal efficiency of the system, through a reduction of repetition, absenteeism, and dropout rates in low-income areas; and (ii) those produced by better external efficiency through substantially enhanced quality of the education imparted. The former will free resources as a result of savings in costs, while the latter will have an impact on the productivity of labor and the efficiency of subsequent school levels (par. 4.23).

RISKS:

Two main risk factors may affect project performance: (i) institutional weakness of MENJS at the central and regional levels; and (ii) fiscal constraints to generate sufficient domestic revenues to finance the recurrent costs associated with the project (par. 4.24).

**SPECIAL
CONTRACTUAL
CLAUSES:**

1. Conditions prior to first disbursement. The Borrower will present the following to the Bank's satisfaction:

- (i) Establishment of the Project Coordinating Team and appointment of the coordinator (par. 3.1);
- (ii) Adoption of the final version of the Project Implementation Procedural Manual and procedural manual for all school-based initiatives (par. 3.2).

2. Special Condition prior to first disbursement for works under component 1: In addition to the conditions in paragraph 1 above, presentation of the contract signed between MENJS and the FAES (par. 3.7).

3. Special disbursements for the beginning of program implementation: Notwithstanding the conditions in paragraphs 1 and 2 above, once the Borrower has complied with paragraphs (a), (b) and (e) of Article 4.01 of the General Conditions, the Bank may disburse up to US\$300,000 to help start up Project implementation.

4. Other special contractual conditions: (i) within six months following first disbursement, MENJS will undertake an internal evaluation of the project's operating procedures (par. 3.20); (ii) within one year from the effective date of the loan contract, a general maintenance plan for financing school repair activities with community participation will be put into effect; (iii) a joint external evaluation will be conducted at the end of the second year of execution and adjustments for project execution made (par. 3.21); and (iv) the project cost table will reflect the ratio of financing available to public and nonpublic schools.

**POVERTY TARGETING
AND SOCIAL SECTOR
CLASSIFICATION:**

The proposed program qualifies as a poverty-targeted investment as set forth in the Eighth Replenishment document (GN-1964-3). The program supports the delivery of basic education services in rural areas, and will thus disproportionately benefit the poor (par. 4.21).

**EXCEPTIONS TO
BANK POLICY:**

None

PROCUREMENT:

The acquisition of goods, works and related services will be carried out according to Bank procedures. The threshold limits for international public bidding will be \$200,000 in the case of goods and services and \$1,000,000 for works. Below these limits the rules described in par. 3.13 will apply. All printing materials for schools financed with the resources of the Bank loan will be let for bid in a single package, unless otherwise agreed by the Bank (par. 3.13).

I. FRAME OF REFERENCE

A. Socioeconomic Context

- 1.1 With an unemployment rate of 60% and a real per capita income estimated at US\$230, Haiti is by far the poorest country in the Western Hemisphere. It is estimated that 5 million Haitians, out of a total population of 7.5 million, live in poverty, with 80% of the rural population below the poverty line.
- 1.2 Since the lifting of sanctions in 1994, Haiti has received significant assistance from international agencies. Thanks to the adoption of a handful of key reforms and public works financed by international agencies some progress has been made: GDP grew by 2.8% in FY96 and 1.8% in FY97. However, Haiti's government and institutions continue to rest on unstable foundations and the vast majority of Haitians continue to live in dire poverty. Lack of both a literate population and a skilled work force are critical factors with implications for sustained poverty reduction and the country's long-term development. The weak human resource base is due primarily to an education system which, despite a very strong demand from parents, is basically inequitable, inefficient and ineffective.

B. The Education Sector

- 1.3 Large segments of the Haitian population, particularly in remote areas, have little access to basic education facilities, and several social, economic and institutional factors contribute to low school attendance and poor levels of achievement. The GER 1/ at the primary level has increased officially from 69% in 1985 to 90,5% in 1995; however, the NER 2/ is less than 50% (30% in rural areas), reflecting a sizeable contingent of over-aged students 3/. High repetition and dropout rates 4/ compound a situation where only 30% of the children complete the primary school cycle. Average length of time in school for the dropouts is less than four years, which is insufficient to ensure the retention of basic literacy. Girls are particularly at risk, with higher dropout rates linked mainly to household duties and related sociocultural factors. Less than 50% of the population over 15 years of age – 25% in rural areas – is able to read and write. In

1/ The gross enrollment rate (number of children in an education level as a proportion of the population age group for that level) provides an indication of the capacity of the system. In Haiti, the GER is calculated as a proportion of the estimated 6-12 population, instead of the usual 6-11 cohort. Using the latter would increase estimates of the GER to over 100%.

2/ The net enrollment ratio (number of children of school-going age enrolled in school as a proportion of the school-going age population for that level of education) is a measure of the effectiveness of a system. The difference between the NER and the GER is an indicator of system inefficiency, the capacity of the system being used by over-aged children (a result of late-entry and repetition).

3/ Estimated at 50% of all primary school students, and 90% in fifth grade, where the average age is 15.3 years compared with a theoretical age of 11.

4/ Repetition rates average 12% per grade, and dropout rates are between 10 and 15% per grade.

impoverished communities, female literacy is typically as low as 10%.

- 1.4 Financing of Basic Education. Government recurrent expenditure for education (all levels) is currently 2.2% of GDP, compared to an average of 4% for LDCs. Public spending on education demonstrates an urban bias. Of the total 2.2% of GDP spent on education, only 20% goes to the rural areas where 70% of the population lives.
- 1.5 Reliance on external financing is heavy: for 1996/97, the GoH contributed as little as US\$10.8M for education, while international financing was US\$23M. Chronic under investment in public primary schools explains why the nonpublic sector (religious, community and for-profit establishments) accounts for over 70% of primary enrollment and 85% of primary schools in Haiti, and why public schools cater to less than 10% of the school age population. Parents, NGOs and donors contribute heavily to non-public education, mostly to cover operating costs such as registration and tuition fees, textbooks, exam fees, and uniforms. When indirect costs (uniforms, transportation, etc.) are included, Haitian households spend an estimated 12.5% of GDP on education (versus 3-4% in other low income countries).
- 1.6 Access to Basic Education Facilities. The low level and the pattern of public investment in the basic education sector have caused inequitable access to school facilities, with major gaps in coverage. Less than 15% of all primary schools are public, and only a third of these are in rural areas, where 70% of Haitians live. The major deficits in access are in remote districts located in four of the ten regional directorates: Northwest, Center, Grand-Anse, and Nippes. While the NER is approximately 50% at the national level, 70% of the school-age population in rural areas is practically excluded from school. The population growth rate of 2% is compounding this situation to a point where 40,000 additional children from rural areas may seek to attend primary school each year over the next five years: the construction of at least 800 functional new classrooms would be required on an annual basis to accommodate these children alone.
- 1.7 Since 1995, school facilities have received a very large share of the country's investment in education, with the IDB (through FAES and EXENP I), the IBRD and CIDA supporting the repair, expansion or construction of hundreds of primary schools across the country. However, coverage has not been strategically adjusted to real demand. Also, school maintenance systems designed to prevent and/or control deterioration are practically nonexistent. In addition, school furniture is often lacking, and a large number of schools have classrooms without teachers.
- 1.8 Quality of Basic Education. The general quality of basic education is deficient in most public and nonpublic schools. This is largely due to low professional qualifications of teachers, low salaries – especially in the nonpublic sector – which affect their motivation

and time on task, high student/teacher ratios, poorly coordinated curricula, unavailability of appropriate teaching materials, lack of supervision by able inspectors, and poor facilities.

- 1.9 Information on teacher qualification in the public sector indicates that only 45% of primary school teachers are formally qualified, with significant regional variation ranging from 15% (Northeast) to over 60% (North). However, it is clear that most "qualified" teachers lack a good subject matter knowledge as well as appropriate teaching practices. ^{5/} In the nonpublic sector, qualification is even lower: 67% of teachers have not completed primary school, and the Haitian Foundation for Private Schools (FONHEP) has found that over 99% are not formally qualified, and that 25-30% are not even worth training. In short, practically all primary school teachers require some quality in-service training.
- 1.10 The supply of textbooks and other teaching materials is dismal. Even where textbooks have been distributed, they are usually limited to the first cycle (grades 1-4), and their relevance and quality are debatable. Despite the efforts currently made through EXENP II, less than 50% of schoolchildren are using textbooks, and even workbooks are in short supply. The resulting difficulties are compounded by the shortage or nonexistence of basic teaching tools such as guides and maps.
- 1.11 Nutrition deficiencies and parasitic diseases in schoolchildren severely impair their ability to learn. Several anthropometric surveys have shown that, despite efforts by international agencies, the nutrition and health situation of Haitian children has remained deteriorated following the economic crisis of 1991-1994. Widespread school feeding programs have been implemented for years in Haiti: however, while such programs are extremely attractive to parents and are a key factor in raising school enrollment and attendance rates, there has been a marked reduction in beneficiary levels, with the emphasis shifting towards increased integration of these resources in maternal and child health centers and away from primary schools.
- 1.12 Sector Management. Education in Haiti is administered by the Ministry of National Education, Youth and Sports (MENJS) through 10 regional directorates (DDEs), which are currently subdivided into 45 school districts and some 292 school zones. However, educational planning is deficient, the existing school census used for microplanning is incomplete and out of date, teachers are currently allocated on the basis of available budgeted positions rather than available posts, and a large number of schools have classrooms without teachers.

^{5/} Tests administered by the MENJS in 1996 revealed that 33% of primary school teachers were unable to rank words alphabetically in French, and that only 3.5% were able to perform basic arithmetic operations from the fourth-grade program.

- 1.13 Sector management is highly deficient because of entrenched centralization, lack of clearly defined educational standards, weak administrative capacity of the MENJS at central, regional, district and zone levels, and very limited community involvement in school affairs. Norms and criteria for assessment of teacher and student performance are severely deficient. Supervision capacity at regional and district levels is weak, and inspection functions such as school accreditation, school mapping and teacher evaluation have been neglected. There are currently only 35 chief inspectors at the district level (for 45 districts). At the zone level, there are 316 inspectors, who are expected to act as pedagogical advisors and to supervise well over 11,000 public and nonpublic primary and secondary schools. The overwhelming majority of these inspectors lack guidance, proper skills, and transportation. Actually, less than 10% of all known nonpublic primary schools have been accredited, and the majority of nonpublic sector activities remain largely unregulated.
- 1.14 It is highly unlikely that much sustainable economic progress can be achieved without significantly improving access and quality of education, as well as the management of an emerging education system. Also, there is a need to adopt new attitudes and to recognize the value of community participation as a source of support to the development of viable school institutions.

C. The Government's Education Strategy

- 1.15 The Government of Haiti has recognized the importance of basic education, and has made education one of its three priority sectors (along with health and justice) for the years to come. In early 1997, the MENJS produced a National Plan for Education and Training (PNEF) to serve as a strategic framework to guide all investments in education over the next ten years. The Plan identifies the following priorities for basic education: (i) improve the quality of basic education, by emphasizing participatory teaching practices and effective evaluation methods, by providing teaching and learning materials, and by training teachers using newly-created school clusters which would receive training and outreach services from a model school (EFACAP); (ii) expand access to basic education by building schools in depressed areas, repairing or expanding existing schools, and encouraging nonpublic sector expansion by subsidizing the construction of nonprofit establishments; and (iii) strengthen the management capacity of the MENJS by implementing new financial and administrative procedures, reinforcing planning capabilities, defining the role of regional authorities in the decentralization process, and reinforcing pedagogical supervision at all levels.

D. Commitments made by IDB and other International Agencies

- 1.16 The basic education sector has received relatively modest international assistance in recent years. With the exception of the IDB and the IBRD, assistance has generally been on a rather small

scale: Canada (CIDA) has provided assistance for school rehabilitation through two NGOs, and is currently implementing a US\$2.2M basic education project through a third NGO in the Artibonite (Saint-Marc district); USAID has been financing vocational training programs for skilled and unskilled workers, literacy programs, preschool rehabilitation, and school lunches; UNICEF has been supporting nonformal education, literacy and basic education; UNDP currently finances a US\$1.75M project (PRI) executed by UNESCO to strengthen MENJS divisions at the central level, while testing pilot decentralization and school census mechanisms (a Phase 2 project is envisaged); France is currently financing a US\$2M project (PAEH) dealing with pedagogical matters, and is providing the MENJS with eight technical assistants. Some larger commitments have been made, however: USAID has launched Education 2004, a five year US\$20M technical assistance program designed to reach 360,000 primary school children and their families, mainly in the nonpublic sector; and the European Union (EU), through its structural adjustment program, finances the operating budget of the MENJS (except for wages) as well as national examinations (US\$14M earmarked for 1997-98). Progress and results of these projects, especially the PRI (UNDP/UNESCO), will be crucial to the Basic Education Project (BEP), and synergy could be achieved in so far as an effective coordination mechanism is monitored by the MENJS.

- 1.17 IBRD activities in basic education have involved partial financing of two investment projects dealing with building and equipment of rural and urban primary schools, and with primary teacher training centers. IBRD is currently preparing the Basic Education Project, to be jointly financed with the IDB.
- 1.18 Current IDB involvement in basic education consists of: EXENP-II, a US\$17.6M project to assist in the formulation of the PNEF, and to improve internal efficiency and equity in the basic cycle of primary education through provision of scholarships, textbooks and school supplies, as well as in-service training for teachers and supervisors; and FAES II for US\$27M, which involves a total of 205 interventions: 154 new constructions and 51 rehabilitations of primary school facilities. The majority of the 205 FAES interventions concern the public sector. In fact, taking together the new constructions and the rehabilitations already executed or in progress, the interventions in favor of the public sector are 161 versus 15 in favor of community-based organizations (école communautaires) and 29 in favor of private sector (religious organizations of FONHEP).

E. Bank Strategy

- 1.19 The IDB's overall strategy for Haiti is currently to support the GoH's efforts to achieve sustainable social, economic and environmental development by focusing on four strategic areas: (i) investment in human capital; (ii) institutional strengthening; (iii) private sector development; and (iv) cofinancing. The Haiti

Country Paper (GN 1933-1, November 1996) articulates the Bank's emphasis on investment in human capital: "The allocation of Fund for Special Operations resources will emphasize initiatives to improve living conditions, health and nutrition, and education and technical training to improve labor skills. This will require a leadership role by the Bank in working with the authorities to define and implement a comprehensive social sector agenda." 6/

- 1.20 The goal for the Social Programs Division (SO2) is to support the GoH in reducing poverty in a sustainable manner. The objective for 1997-1999 is to improve efficiency in sectors with high social returns 7/, by assisting the social ministries in becoming efficient while at the same time supporting their efforts to decentralize the delivery of social services to the local governments and/or to the nonpublic sector. Given the institutional and financial weaknesses prevalent in the MENJS, most social sectors projects for Haiti would either: (i) be designed as pilots, which would test the applicability of alternative delivery mechanisms and whose success would ensure further investment loans; or (ii) incorporate a progressive design, so that experiences from an early phase would be internalized during project implementation and that project objectives and scope would be reassessed at key stages of the project cycle, based on the absorptive capacity of the beneficiaries. The partnership with local communities should allow for proper project execution and adequate provision of social services to various segments of the population. Finally, whenever feasible, SO2 will seek an integrated approach by joining forces with other international agencies, in order to minimize duplication and encourage efficiency and synergy in the use of external resources.

F. Program Strategy

- 1.21 The MENJS, through a "*Cellule de pilotage*" created in early 1997, has assumed the responsibility to coordinate all donor activities within the vision and goals set forth in the PNEF for the next decade. In April 1997, the MENJS asked both IDB and IBRD to participate in financing one Basic Education Project (BEP), with the general purpose of improving access to primary school facilities as well as the quality of basic education and educational management capacities at the local level.
- 1.22 Given the structural and resource deficiencies which characterize the educational sector, both IDB and IBRD proposed to finance the project in three-year phases. Project preparation has been a joint effort between MENJS, IDB, IBRD and other international agencies involved in the education sector in Haiti.

6/ Haiti Country Paper, October 1996, page 28.

7/ See "RE2/SO2 Guidelines for Bank Action in the Social Sectors - Haiti", February 1998.

II. PROJECT DESCRIPTION

A. Objectives

- 2.1 The objectives of the Basic Education Project (BEP) are: (i) to improve and sustain access to primary school facilities in disadvantaged areas; (ii) to improve the quality of basic education; and (iii) to develop planning, management and supervisory capacities at regional, district, zone and school levels. The project will have a national scope and will be targeted to the most vulnerable segments of the population.
- 2.2 The BEP is conceptualized as a long term operation structured in phases, with each phase having an approximate duration of three years. Phase I (1999-2001) will develop and establish basic institutional structures and capacity. It will also establish innovative mechanisms to encourage community participation and partnerships with the non-public sector in the provision and management of educational services. Phases II and III (2002-2007) will build upon the progress realized in the first phase and will pursue the improvement of the third cycle of basic education (grades 7-9). The cost of Phase I is estimated at US\$52.9 million, of which US\$19.4 million will be financed by IDB and US\$28.4 million, by IBRD. The Government counterpart will amount to US\$5.1 million. The costs for Phases II and III have been roughly estimated by the Government at US\$80 million and US\$110 million respectively. The division of financing between IDB, IBRD and Government for these subsequent phases will be determined upon preparation of each subsequent phase.
- 2.3 The passage from Phase I to Phase II will be triggered by the successful achievement of key indicators (please refer to Annex IA, Key Indicators). Once threshold benchmarks (key indicators) have been complied with, management will present a very simple loan document which will include a review of the execution, a detail of expenditures during the first phase, a dimensioning of Phase II, and benchmarks that would trigger the passage to Phase III. The emphasis of this proposed simplified procedure will be on prior performance and commitment of new resources. This proposed scheme will expedite the approval of Phase II and will enable the IDB team to keep up with other financiers.
- 2.4 It is expected that by the end of Phase I (2001), the BEP will have generated the following outcomes at the primary level : (i) the student population will be increased by 22,000 (50% in the public sector) in targeted areas; (ii) the NER will be increased by 5% nation-wide (7% in rural areas, 6% for girls); (iii) repeater and dropout rates will be decreased by 25% and 10%, respectively; (iv) scoring will be improved by 10 points in math and reading at the end of grades 3 and 5, in project-supported schools; (v) all districts will have developed full microplanning procedures; (vi) 50% of all schools will be inspected at least once a year; and

(vii) 15% of all schools will be managed with inputs from the community.

B. Description of Phase I Components

2.5 Phase I of the project will be divided into three main components: (1) improved access; (2) improved quality; and (3) improved local management capacity. This chapter provides a brief description of all activities under each component. The Technical Annex in the project files contains a more detailed account of subcomponents and activities and is available for review. In the description that follows, all figures in parenthesis indicate costs financed by IDB only. The IDB share of financing during the first phase is distributed according to the following approximate percentages: civil works, 31%; equipment and vehicles, 11%; training, studies and technical assistance, 45%; incentives and community participation, 10%; operating costs, 3%. For total component costs by source of funding (IDB, IBRD and Government), please refer to Table 2-1.

1. Component 1: Improved Access (IDB: US\$4.7 million)

2.6 The main activities under this component will include: (i) rehabilitation and reconstruction of existing school facilities, and construction of new facilities in targeted areas; and (ii) strengthening of the normative capacity of the Department of School Infrastructure (DGS) at MENJS.

a. *Rehabilitation, reconstruction and construction of school infrastructure (US\$4.2 million)*

2.7 It is expected that 660 classrooms will be repaired, and that 270 classrooms will be reconstructed. Technical regulations and specifications of the DGS will be prepared for each school slated for inclusion in the project, and construction packages will be produced by geographic area for purposes of public bidding. Bidding packages will be small enough to attract local contractors where available. The DGS will enter a formal agreement with FAES for civil work under this component. All 930 classrooms will be provided with regionally made school furniture. A school maintenance system will be set up in order to prevent and/or control deterioration. The confirmed list of public schools selected and of nonpublic schools eligible for rehabilitation and for reconstruction during the first year of the project will also be a condition prior to negotiation.

2.8 Since lack of infrastructure maintenance has been a recurrent problem, the project will provide funds to support the DGS in the development and piloting of a general maintenance plan to finance repair-related activities with community participation. The plan should be fully designed and in implementation by the end of Year 1, and all disbursements during Year 2 will be conditional to its

existence and implementation. During Year 1, activities will be limited to rehabilitation and reconstruction of existing schools in disadvantaged areas where there is a proven demand for educational services.

- 2.9 The construction of new additional school facilities (260) will be based on a detailed analysis of the real demand for school construction based on population and enrollment projections, and the analysis will include a projection of need for qualified teachers in each school site. No new constructions will be financed by the project until the plan to finance maintenance has been put into place.

b. *Strengthening of the School Infrastructure Directorate (DGS) (US\$0.54 million)*

- 2.10 Technical assistance will be provided to the DGS with a view to developing improved technical regulations and specifications for school construction and maintenance, as well as model school maintenance contracts to be negotiated with/endorsed by client communities. The DGS will also be enabled to apply full quality control and other monitoring mechanisms in targeted areas, through its decentralized services.

2. Component 2: Improved Quality (IDB: US\$9.25 million)

- 2.11 Activities under this component will include: (i) establishment of training/resource centers, called EFACAPs, in already existing schools in targeted school districts; (ii) enhancement of teacher qualifications through pre-service and in-service teacher training; (iii) production and distribution of teaching materials; (iv) support to school-based improvement initiatives; and (v) enhancement of the exams and evaluation system.

a. *EFACAPs (US\$1.5 million)*

- 2.12 The EFACAP is a new concept in Haiti: it is a training and resource center and it forms part of a coordinated management strategy which leans toward extending teacher training and educational support to disadvantaged regions through a decentralized approach. Support is to be provided to both public and nonpublic schools in the geographic area. A permanent training facility will be set up at each EFACAP as a means of improving, supporting, and motivating the teachers at satellite schools. Forty five (45) classrooms will be rehabilitated; forty five (45) new classrooms will be built; sixteen (16) EFACAPs will be created, of which 6 will be established in areas serviced by the new CFEFs; and 10 will be developed in existing schools. In addition to allowing for the rehabilitation, reconstruction, expansion and/or construction of the 16 facilities, the project will provide them with appropriate furniture, teaching equipment, small libraries, and 30 pedagogical advisors will each be provided with a motorcycle. Approximately 100

staff (10 directors, 30 pedagogical advisors and 60 teachers) will also be trained to operate 10 establishments.

- 2.13 In addition to the 16 EFACAPs that will be established, seven public-sector normal schools (ENI) will be converted into functional educational/management training facilities. One of those normal schools will become a training center for educational administration staff (CFCE), to be used for the training of inspectors at the departmental, district and zone levels. Six other ENIs will be converted into functional teacher training facilities (CFEFs), to be used for pre-service and in-service training of teachers and school directors.

b. Teacher Training (US\$3.0 million)

- 2.14 Teacher training will be enhanced through the establishment of 23 functional pre-service and/or in-service training facilities, and the delivery of basic and advanced in-service training programs for teachers, school directors and pedagogical advisors. Pre-service training activities will be financed by IBRD, and in-service training will be financed by IDB.

- 2.15 Basic and advanced in-service training programs for both teachers and school directors, as designed by the MENJS with support from PAEH, will be delivered nation-wide through CFEFs, EFACAPs and other training centers. The programs will deal with improved instructional and classroom management methods, improved teaching-learning strategies in subject matters, the use of teaching materials, school management and supervisory techniques, and communication strategies at the community level. The 45-hour modules will allow for the delivery of 660,000 person/hours of training over a three year period, i.e.: 300,000 person/hours of basic training and 150,000 person/hours of advanced training for teachers, and 120,000 person/hours of basic training and 90,000 person/hours of advanced training for school directors. Entry tests for advanced training placement are currently being developed with IDB EXENP II resources. It is estimated that approximately 60% of the beneficiaries of in-service training will be teachers and school directors from the nonpublic sector. Finally, the project will allow 150 pedagogical advisors to receive 36,000 person/hours of training.

c. Teaching Materials (US\$1.8 million)

- 2.16 The production and distribution of teaching materials will include the provision of school kits to some 1500 schools; manuals; reading material and teaching aids. Textbooks and teaching materials will be developed by the MENJS with support from the PAEH and from UNICEF, and distributed to teachers and students. In accordance with Government policy, teaching materials will be in Creole for the first three grades, in French and Creole for 4th grade, and in French for the upper grades. Creole is the official language of instruction in the first cycle of basic education. French is taught

as a second language since grade 1. Transition to French as the language of instruction occurs in the second cycle. However, due to a lack of supervision, a great level of "arbitrariness" exists so that the situation is not uniform at present.

- 2.17 A research and development program will be established to evaluate and design teaching materials and to elaborate policy guidelines for the design of improved materials. ^{8/} Special attention will be given to gender stereotypes, and to the need to inculcate active awareness in students about the conservation and improvement of their physical environment. Guidelines, as well as training modules on educational materials, will then be produced, and 22 specialists will each receive 90 hours of training in the evaluation and design of appropriate materials. In addition, two specialists will complete a study tour abroad. This activity will be financed by IDB only.

d. School-based improvement initiatives (US\$2.7 million)

- 2.18 The project will support school-based initiatives and other strategies aimed at improving the effectiveness of learning conditions in selected areas. These initiatives will involve the negotiation and monitoring of demand-driven school pedagogical contracts, as well as school health and nutrition contracts in targeted areas, with technical support from PAEH, PAHO/WHO and the MSPP. It will also involve the planning and implementation of a pilot program aimed at reducing repeater and dropout rates in selected areas, and the implementation of an incentive mechanism designed to improve the coverage and quality of educational services provided by the nonpublic sector.
- 2.19 Through the application of incentives and partnership mechanisms in targeted areas, the student population attending nonpublic sector schools at the primary level will be increased by 3000 over the three-year period of Phase I. Through the application of incentive mechanisms to improve quality, a large number of organizations operating in targeted areas will be made more effective and efficient.

3. Component 3: Improved Local Management Capacity (IDB: US\$4.8 million)

- 2.20 Activities to improve local management capacities will include: (i) enabling school inspectors at the district and zone levels; (ii) establishing mechanisms to stimulate and sustain effective community participation in school management; (iii) developing an educational management information system; and (iv) developing decentralized personnel management capabilities within the MENJS structure.

^{8/} The contents of new materials will reflect curricula revised according to new learning objectives established for grades 1-6.

- 2.21 The Institutional Strengthening Project (UNDP/UNESCO) is currently developing some management procedures meant to strengthen the Ministry's institutional capacity at the central level, and it is expected that additional procedures will be developed to promote decentralization. The BEP will coordinate some of its activities of a management nature with the PRI, with the purpose of developing appropriate management procedures at the local level. Coordination will also be sought with the PAEH, to deal with the strengthening of certification, evaluation and other management systems pertaining to activities of a more pedagogical nature.

a. Enabling of Inspectors (US\$1.8 million)

- 2.22 The project will enable inspectors at the district and zone levels by providing them with appropriate facilities, equipment, transportation, training and guidelines. It will establish 23 school district offices (BDS) and 60 zone inspector offices (BIZ), and supply them with basic furniture and office equipment. In addition, the project will provide nine vehicles and 60 motorcycles and will finance operating costs during the first phase. All 46 district inspectors, as well as 313 zone inspectors, will receive a total of 88,751 person/hours of training: 15 different training modules will develop their capacity to perform the accreditation function, to supervise the work of other inspectors and/or school directors, to evaluate teachers, to manage student examinations, and to develop appropriate evaluation and applied research procedures as needed to support the development of quality education. The project will also print and distribute 400 copies of operational guidelines on the system wide functions.

b. Community Participation in School Management (US\$0.6 million)

- 2.23 Effective and sustainable community participation in school management will be stimulated by the MENJS (DAEPP) through the establishment and the support of school-community partnerships in targeted areas. Such partnerships will allow for increasing responsibility of registered school committees. The range of responsibilities might include: development and maintenance of school facilities; representing the schools within their communities and establishing linkages between the schools and other components of the local environments; and generating self-financing from community resources and building a constituency for sustainability. Together with institutional and geographic decentralization, community involvement will help make the schools less vulnerable to fluctuations in external support, political change in Port-au-Prince, and neglect of duty. Some 160 partnerships will be gradually experimented and developed, and 130 school management committees will be established and enabled in 16 school clusters, located in 8 school districts. The commitment of school directors in the selected areas to share their leadership and their responsibilities with community representatives will be

established in writing and will be a precondition to the establishment of community partnerships.

c. *Educational management information system (US\$1.8 million)*

- 2.24 The institutional strengthening project financed by UNDP/UNESCO is currently in the final stages of designing an educational management information system (EMIS). The BEP will implement such system. The BEP will finance the strengthening of the Planning Directorate (DPCE) and staff at the regional and district levels through the provision of equipment and materials, training, technical assistance and studies on education costs, on school attendance (GER and NER), and on access to school facilities in rural areas.

C. Project Administration (IDB: US\$0.9 million)

- 2.25 A Project Coordinating Team (PCT) will be established within the MENJS to administer the project and will be responsible for facilitating project activities and will act as liaison between the education authorities, the Banks, other international agencies involved, and local entities. Different central and regional departments of the MENJS will share responsibility for implementing the various subcomponents of the project. The Government will cover the costs of personnel, supplies, and general services. IDB and IBRD will finance six staff - the coordinator, two pedagogical advisors, one engineer and two financial specialists - in addition to office equipment and vehicles. This component will also finance studies for preparation of second phase and a study on policy, strategies and mechanisms for future financial sustainability of project activities.

D. Costs and Financial Plan

- 2.26 In accordance with the program described in this chapter, the operation will finance the costs shown in the financial matrix (Table 2-1). The government's counterpart will be approximately 10% of total project cost and will cover mainly operating, maintenance, and financing costs.

- 2.27 The financial terms and conditions of the loan are:

Amount:	US\$19.4 million
Source:	Fund for Special Operations (FSO)
Amortization period:	40 years
Grace period:	10 years
Disbursement period:	3 years
Interest rate:	1% during the grace period and 2% thereafter
Credit fee:	Inspection and supervision: 1% of the loan amount

TABLE 2-1 : Cost table (in US\$000)

CATEGORY	IDB	IBRD	GoH	Total	%
1. Improved Access					
1.1 Civil Works	3,574	6,637	1,134	11,345	21.6%
1.2 Equipment	638	1,264	0	1,902	3.6%
1.3 Vehicles	0	74	0	74	0.1%
1.4 Training & studies	226	606	0	832	1.6%
1.5 Technical Assistance	0	160	0	160	0.3%
1.6 Operating expenses	323	601	2,063	2,987	5.7%
Subtotal	4,761	9,342	3,197	17,300	33.0%
2. Improved Quality					
2.1 Civil Works	1,279	2,960	470	4,709	9.0%
2.2 Equipment	1,108	4,803	0	5,911	11.3%
2.3 Vehicles	116	240	0	356	0.7%
2.4 Printing	1,494	712	0	2,206	4.2%
2.5 Training & studies	3,166	1,810	0	4,976	9.5%
2.6 Technical Assistance	654	2,183	0	2,837	5.4%
2.7 Operating expenses	72	451	951	1,474	2.8%
2.8 Incentive Fund	1,368	1,368	0	2,736	5.2%
Subtotal	9,257	14,527	1,421	25,205	48.1%
3. Improved Management					
3.1 Civil Works	1,350	642	212	2,204	4.2%
3.2 Equipment	202	414	0	616	1.2%
3.3 Vehicles	209	182	0	391	0.7%
3.4 Printing	0	71	0	71	0.1%
3.5 Training and Studies	1,182	1,411	0	2,593	4.9%
3.6 Technical Assistance	622	222	0	844	1.6%
3.7 Community Participation Fund	646	0	0	646	1.2%
3.8 Operating Expenses	46	228	25	299	0.6%
Subtotal	4,257	3,170	237	7,664	14.6%
4. Project Coordination Team					
4.1 Equipment & Vehicles	0	233	0	233	0.4%
4.2 Training & studies	253	247	0	500	1.0%
4.3 Technical Assistance	540	728	0	1,268	2.4%
4.4 Operating expenses	124	124	28	276	0.5%
Subtotal	917	1,332	28	2,277	4.3%
Costs not including financial costs	19,192	28,371	4,883	52,446	100%
5. Financial costs					
5.1 Interest	0	0	152	249	0.5
5.2 Inspection and supervision	194	0	0	194	0.4
5.3 Credit Commission			97		
Subtotal	194	0	249	443	0.8
TOTAL	19,386	28,371	5,132	52,889	
Distribution (%)	36.7	53.6	9.7	100.0	

III. INSTITUTIONAL FRAMEWORK AND PROJECT EXECUTION

A. Borrower and executing agency

- 3.1 The borrower will be the Republic of Haiti. The executing agency will be the Ministry of National Education, Youth and Sports (MENJS), which will use almost its entire basic structure for this purpose, particularly the administrative and technical units that are responsible for each of the project subcomponents. The Ministry will establish a small project coordination team (PCT) responsible for planning, coordinating, monitoring and evaluating the execution of the project. In accordance with guidelines followed by the Country Office in Haiti, the costs and salaries of the PCT will be kept in line, to the extent possible without affecting the continuity and quality of activities, with the costs of other entities in the MENJS that have similar responsibilities. Establishment of the PCT and appointment of the coordinator will be conditions prior to the first disbursement of the loan.

B. Project execution

1. Execution mechanisms

- 3.2 In an effort to avoid duplication of tasks and improve implementation efficiency, the development of project execution mechanisms has been a joint effort of the Government, the IBRD and the IDB. These agreed upon mechanisms will be stipulated in a Project Implementation Procedural Manual that is currently under preparation. A procedural manual for all school-based improvement initiatives (under Component 2) is also under preparation. Their completion and approval by the Banks will be a precondition for first disbursement. Any modification thereof will require prior approval by the Banks.
- 3.3 The PCT will serve as an intermediary between the MENJS and the Banks, and will coordinate all project activities with the MENJS departments involved in project execution (DAA, DAEPP, DCQ, DEF, DDE, DFP, DGS, DP, DPCE). The relevant departments will be responsible for the implementation of their respective components, which they will either execute or supervise themselves or subcontract to other governmental and nongovernmental organizations.
- 3.4 The main functions of the PCT will be: (i) to coordinate with the relevant MENJS units the preparation of annual operation plans and budget for each component, and to monitor their implementation according to the agreed upon key indicators; (ii) to establish an accounting system that allows adequate control over the use of project resources; (iii) to prepare all relevant documentation related to the satisfaction of contractual conditions; (iv) to coordinate and/or prepare all bidding and contractual documents for the procurement of project-related goods and services; (v) to

collaborate with the relevant MENJS units in the preparation of terms of reference for studies and technical assistance consulting services; (vi) to develop and maintain a technical and financial information system of all project activities; (vii) to prepare progress technical and financial reports using the common format agreed with the Banks; (viii) to ensure compliance with the programmed schedule of activities; (ix) to prepare disbursement requests to the Bank, with the required supporting documentation; (x) to comply with contractual conditions established in the loan contract; (xi) to coordinate and implement a project monitoring system, to be overseen by a Joint Project Monitoring Committee; (xii) to facilitate all financial audits and evaluations to be conducted by external consultants; and (xiii) to coordinate and monitor activities for the preparation of subsequent phases of the project.

- 3.5 To prevent the PCT from becoming a permanent executing agency, the terms of reference for the PCT will include a timeline to transfer its coordination, budgeting, procurement, accounting and supervision capacity to the respective strengthened departments in the MENJS.
- 3.6 Composition of the PCT. The PCT will be composed of a Technical Coordinator reporting directly to the Director General (DGE) of the Ministry; two pedagogical advisors to support the implementation of plans of operation relating to their domain; two financial specialists to provide administrative support for all project activities, including maintenance of accounting records, procurement procedures, and processing of disbursements. Every effort will be made to integrate into the PCT the human resources and the financial and accounting systems developed and tested during the execution of the projects Exenp I and Exenp II. The Exenp II project is scheduled to end in early 1999, which will coincide with the launching of BEP.

2. Other specialized agencies

- 3.7 The Social Investment Fund (*Fonds d'assistance économique et sociale*, FAES), will be one of the specialized agencies for executing the school infrastructure works and procuring school furniture (Component I). The MENJS will provide the FAES with specifications for the works and goods. When bids for equipment and furniture are for amounts that justify conducting the process outside the Ministry, an agreement will be reached with the FAES subject to the IDB's nonobjection. Whenever possible, the packages for bidding will be kept small to allow local construction agencies to bid for the works.
- 3.8 An NGO familiar with health/nutrition and education concepts and methodologies will be the specialized agency for executing school health/nutrition contracts. The MENJS will provide the NGO with clear goals and objectives. The contracts will be negotiated with school representatives by MENJS staff at the local level, and the

NGO will supervise their implementation with support from PAHO/WHO and from MSPP staff at the local level. The eligibility criteria for the selected NGO as well as its TORs for the execution of the subcomponent will be a precondition for first disbursement.

3. Execution schedule

- 3.9 A description of project activities is given in the logical framework for the project (Annex I), and these activities will be carried out in accordance with a general schedule to be adjusted annually by the MENJS through the PCT and approved together with the annual project budget, with the Bank's nonobjection.
- 3.10 A revolving fund mechanism will be established to ensure an adequate flow of liquidity to the PCT. Once the loan has been declared eligible for disbursement, the PCT will present a request to the IDB in order to establish the revolving fund itself. The initial transfer will be limited to 5% of the total loan amount for Phase I.
- 3.11 Table 3.1 indicates projected disbursements of loan proceeds, as well as the local counterpart.

Table 3.1: Projected disbursements (US\$ millions) *

Source	Year 1	Year 2	Year 3	Total	%
IDB	4.5	6.4	8.5	19.4	36.7
IBRD/IDA	7.4	10.2	10.8	28.4	53.6
GoH	0.5	1.7	2.9	5.1	9.7
Total	12.4	18.3	22.2	52.9	100
%	23.6	34.9	41.9	100	

* Figures may not add-up due to rounding.

- 3.12 Year 1 will be devoted to: (i) the establishment and testing of project systems and procedures; (ii) procurement of equipments and vehicles needed to establish the project network, as well as coordination and monitoring mechanisms; (iii) the selection of participating nonpublic sector organizations, of construction sites, and of participating schools, teachers and inspectors; and (iv) implementation of priority construction, training and other activities. The following two years will be devoted to building a normal momentum for implementation of planned project activities, and to consolidating participation and follow-up mechanisms that will contribute to the project's sustainability.

4. Procurement of goods and services

- 3.13 Procurement of goods and construction of physical works will be carried out following Bank procedures. International competitive bidding will be compulsory for construction packages worth more than US\$1 million, and for goods and service packages worth more

than US\$200,000. When the estimated value of goods or related services is below US\$30,000, the method of procurement to be utilized will be direct contracting; when equal to or above US\$30,000 and below US\$200,000, the method of procurement will be national public bidding. When the estimated value of physical works is below US\$75,000, the method of procurement will be direct contracting; when equal to or above US\$75,000 and below US\$150,000, price comparison of three offers presented by firms on a short list; and when equal to or above US\$150,000 and below US\$1,000,000, national public bidding. All printing materials for schools financed with the resources of the Bank loan will be let for bid in a single package, unless agreed otherwise by the Bank. Bank procedures will be followed in the selection and contracting of technical assistance and training services. (See Annex II, "Procurement Plan".)

C. Supervision

- 3.14 Project monitoring will be an ongoing activity of project management, the purpose of which will be to determine whether the project is being implemented as planned, i.e., whether resources are being mobilized as planned (input monitoring), and services or products are being delivered on schedule (output monitoring). A team of outside consultants will support the PCT in designing the monitoring framework to be used. Close monitoring will be particularly crucial in the course of Years 1 and 2, since the attainment of baseline benchmarks will be a condition to progress to Phase II.
- 3.15 The Bank's Country Office in Haiti, with technical support from the Social Programs Division of Regional Operations Department 2 (RE2/SO2), will be responsible for project supervision. The sector specialist at the Country Office will work closely with the MENJS during all stages of execution, including monitoring compliance with the operation's goals and objectives. The staff of the PCT will provide cooperation and support in this regard. In order to accomplish this supervision, the Country Office will need to allocate approximately 17 weeks/year of the social sector specialist's time to this project, in addition to the time regularly allocated by the financial and procurement officer in charge of all projects execution. The team leader in Washington will devote to this project an average of three weeks/year during project execution until the beginning of preparation of Phase II, when time requirements will increase.
- 3.16 The annual action plans will be prepared by the MENJS with support from the PCT, and presented to the Bank by December 15 of each year at the latest. Meetings will be held during the final quarter of each year to evaluate activities and allocate funds for the following year. The results of these evaluations will be used to make adjustments to the project's operating mechanisms and to determine the action plan for the following year. Submittal of the

annual action plan for the first year will be a condition precedent to the first disbursement.

- 3.17 The annual reports will include the following: (i) the general status of the project, including a comparison between actual and planned activities and results (see the objectively verifiable indicators in Annex IA); (ii) an analysis of the main difficulties encountered; (iii) an evaluation of the activities carried out by the specialized agencies involved in the project; (iv) an analysis of the availability of national budget resources for the project, and whether these were provided on time; (v) the results of the external audits; and (vi) a comparison between actual and expected expenditures.
- 3.18 In addition, the following information should be provided for each component: (i) clear objectives; (ii) the activities slated; (iii) prerequisites; (iv) resources required; (v) timetable; (vi) monitoring and control indicators; (vii) final terms of reference for consulting services; and (viii) in the case of civil works, functional programming, engineering designs, and the equipment program. The annual action plans will be prepared and approved each year. At the end of each year they will be evaluated for the purpose of making adjustments and for use in designing activities to be replicated in a potential Phase II.

D. External auditing

- 3.19 Each year, the MENJS will present the project's financial statements to the Bank, audited by an independent firm of public accountants acceptable to the Bank.

E. Evaluations and preparation of Phase II

- 3.20 Baseline benchmarks for key indicators will be collected within three months from the effective date of the loan contract. Within six months after the date of the first disbursement, the executing agency (MENJS) will undertake an internal evaluation (self-evaluation) of the project's operating procedures. The purpose of this self-evaluation is to allow the MENJS the opportunity to identify and correct early on any procedural difficulties/bottlenecks encountered so far.
- 3.21 A joint external evaluation will be conducted at the end of Year 2. The evaluation will review the key project indicators, annual progress reports, and other reports from the central and regional levels of the MENJS. It will include an analysis of achievements and problems detected during project execution, and address more specific issues such as (i) the viability and sustainability of participation by the non-public sector in provision of education services, (ii) the GoH's commitment to deconcentration and the most effective mechanisms for that purpose, and (iii) the GoH's requirements for financial resources to undertake a systematic expansion of basic education through the models identified in the

first two years of the project as having the best quality and cost effectiveness.

- 3.22 The evaluators will make recommendations regarding changes and adjustments for the remainder of the execution period. It will also be used to identify Phase II objectives and activities for the project. Should the evaluation reveal important inadequacies in project implementation, and should such inadequacies be difficult to solve within the approved framework for the operation, the IDB and/or the GoH could decide to cancel or restructure the remaining phase(s) of the project.

F. Complementary activities to be carried out prior to first disbursement

- 3.23 The remaining uncommitted funds available from ATN/SF-5459-HA will be used prior to first disbursement to assist with the preparation of operational manuals, the preparation of the workplan, and to elaborate the accounting system for the PCT.

IV. FEASIBILITY AND RISKS

A. Project Feasibility

1. Technical Feasibility

- 4.1 Project design and proposed implementation mechanisms are compatible with the values and social organization of the current education system, and with the Government strategy as expressed in the National Plan for Education and Training (PNEF). Project design has remained relatively simple and flexible. However, excessive flexibility of implementation mechanisms has been avoided. The BEP provides adequate technical support to address access, equity and quality issues.
- 4.2 Given the preeminence of the nonpublic sector in the education system, the project has designed innovative partnership mechanisms that will allow the Government to work with nonpublic organizations and to learn from their experience while providing them with financial as well as other incentives. The success of the project will depend on the ability of the Government to develop appropriate incentives for the expansion of the nonpublic sector and its capacity to provide quality education.
- 4.3 Technical conceptualization and design of the different components and activities of the project was guided by previous experiences with educational programs in Haiti. Project preparation at the MENJS was strengthened by technical sector studies with the support of local and international consultancies financed by an IDB technical cooperation, as well as by multiple sources from other international agencies.

2. Socioeconomic Feasibility

- 4.4 The BEP reflects well the priorities defined by the Government after a two year consensus building process around the preparation of the PNEF. The technical work was validated through regional meetings which resulted in a three-day national consultation (Etats Généraux d'Education) attended by representatives of NGOs, teacher unions, parents, members of Parliament, school principals, regional directors, etc. Consultations with these stakeholders continued throughout project preparation.
- 4.5 While the project will have a national scope, it will be targeted to the most vulnerable segments of the population, particularly girls and disadvantaged rural communities. By enhancing the capacity of young Haitians from poor areas, especially girls, to join the work force, to be more productive, to earn better incomes and to improve their living conditions, the project will contribute to positive labor market earnings and to reduce poverty in all regions. In addition, by supporting the establishment of local capacities - including those of school management committees - for

delivery of expanded and cost-effective education services, the project will target resources to levels closest to the community, and this will impact on the development of local initiatives.

3. Institutional Feasibility

- 4.6 Adequate institutional implementation capacity has been given a high priority during project preparation. Project implementation mechanisms have been elaborated jointly with the MENJS, IBRD and the Bank. MENJS capacity, at central and regional levels, will be supported with several person/months of technical assistance. The institutional strengthening and structural adjustment process supported by PRI, PAEH and the EU are expected to continue, and effective monitoring and control processes will provide systematic feedback to immediately solve any problems that may occur.
- 4.7 Active participation at the regional, district, zone and school levels in all components will strengthen the process of deconcentration across the country, and the partnership mechanisms will allow for a strengthening of educational management at the local level. Community participation in school management and extracurricular activities will be facilitated by the school management committees to be established in several districts with support from the project.

4. Fiscal Financial Feasibility

- 4.8 Financing for the education sector is provided by the Government, bilateral and multilateral agencies, international and national NGOs, churches, and parents. For 1996/97, Government budgetary allocations (current and investment) for all levels of education were approximately US\$93M, of which investment represented US\$37M (of this, donor investment in the public sector was US\$25M).
- 4.9 The basic education component of the PNEF is expected to require investments of US\$86M over three years and \$255M over ten years. As of July 1998, the Government had identified US\$80.1M of external financing, of which US\$34.8M had already been received and the rest was pending negotiation or signature of agreements. The financing gap over three years is therefore estimated at US\$6.1M. In 1996, the education sector was allocated 6% of Government investment expenditures and 52% of this was allocated to primary education. It is reasonable to assume that the Government will be able to cover the investment financing shortfall over the next three years. However, the Government will need to make significant commitments to the education sector over the next ten years to cover both the recurrent and investment costs of the PNEF. Significant external financing will allow the investment costs to be covered, allowing the Government to increase the recurrent cost allocation to education.
- 4.10 Financing of the BEP by the Bank and the World Bank will ensure cost coverage during the life of the project. Nonetheless, it is

indispensable to clearly identify the fiscal burden these costs may represent on the Government's budget for the future, based on budgetary allocations in the recent past. Table 4-1 below shows the expenditure situation of the Ministry of Education compared to the aggregate of Government's for four budget years.

Table 4-1: Expenditure in MENJS

	FY1994/95	FY1995/96	FY1996/97	FY1997/98 (budget)
Total expenditure in MENJS (% of total GOH expenditure)	n.a.	n.a.	13.6	13.1
Total Current Expenditure in MENJS (% of total GOH current expenditure)	14.6	16.6	14.6	14.2
Total Investment Expenditure in MENJS (% of total GOH investment expenditure)	n.a.	3	8.2	8.3
Wage bill in MENJS (% of MENJS current expenditure)	47	62	54	46
Wage bill in MENJS (% of GOH wage bill)	22	23	22	24
Operations expenditure in MENJS (% of GOH operations expenditure)	8	9	5	6

Source: Public Expenditure Review (The World Bank), Ministry of Finance.

- 4.11 Fiscal figures in the recent past show that the GOH allocated between 13-14 percent of total expenditure (effective and planned) to the education sector, particularly the MENJS. Most of these funds are allocated to current expenditure, where the wage bill share is the largest, compared to considerably low allocations for investment. This situation resulted from the agreements signed with the EU whereby the structural adjustment program funds, financed by the EU, cover all nonwage expenditures by the MENJS. In such a context, the GOH concentrated the bulk of the total wage bill (23% on average) and public employment (40% of the civil service) in the MENJS, while investment and recurrent costs, arising from maintenance needs, were covered by funds provided from the international community. These are the parameters to assess the fiscal financial feasibility of the BEP.
- 4.12 The total costs for Phase I of the project are US\$52.9 million. The project will be implemented over a period of 3 years, 53.6% of the project will be financed by the World Bank and 36.7% by the IDB, while the Government will finance the remaining 9.7%. The different components of the project will generate recurrent costs which stem mainly from operating expenditures (from physical plant, equipment, vehicles, replacement of school textbooks and materials) and investments in human capital formation.
- 4.13 Recurrent costs analysis. For all project expenditures, recurrent costs have been estimated as a percentage of the acquisition cost. For equipment (computers, photocopiers, etc.) the recurrent costs have been calculated at 7% of the initial cost. The recurrent costs

of vehicles is estimated at 10 to 15% of the purchase cost. In the category of training the following formula was used: US\$10 per hour of training per inspectorate; and US\$4 per hour of training per teacher. Supervision costs add 10% of the total cost of the project.

- 4.14 Percentage estimates applied to equipment and vehicles are based on past experience and on observations in other countries with similar characteristics. For training, the percentage used corresponds to the experience of the training programs carried out by the French Cooperation in the last few years. The supervision percentage has been determined by the national authorities based on past experiences.
- 4.15 The recurrent costs for the three years of the first phase have been estimated at US\$4,628,200 or 74,051,200 Gourdes (US\$1=16 Gourdes). In accordance with the project implementation schedule, US\$629,000 should be disbursed during the first year; US\$1,502,170 in the second year; and US\$2,497,960 in the third year. Of the total amount for recurrent costs, the largest share (35.5%) corresponds to costs for additional staff salaries (teachers, directors and trainers) which is estimated in US\$1,641,420. This estimate of salaries does not include contingencies or the likely salary adjustment expected in October.
- 4.16 The distribution of recurrent cost financing among financiers is as follows:
- US\$534,010 or 11.54% from IDB
 - US\$838,480 or 18.12% from IBRD
 - US\$3,255,240 or 70.34% from GoH
- 4.17 The Government's share of recurrent costs derived from the BEP represents 9.4% of the total current MENJS budget (fiscal year 1996-97). The Government has assigned a high priority to the education sector. However, there are no sound prospects for a real increase in GDP. In fact, studies indicate a slow increase, between 1 and 2% for 1998.
- 4.18 Two other factors add to the complexity of the fiscal situation. In 1997 the Government agreed to provide an increase of 83% of salaries to teachers and of 30% to civil servants in the education sector. To date, only an increase of 50% for teacher salaries has materialized and the remaining is currently the object of further discussions between the GOH and the teachers unions. At the moment of writing this document, it seemed likely that a final decision would be reached to pay teachers an additional 10% (instead of the 33% originally considered). On the other hand, the GOH has agreed with the IMF to not increase the wage bill of the public service in nominal terms. The GOH also agreed to carry out a Public Sector Reform program that includes a separation scheme for public sector employees and other measures to reduce the civil service, which will expectedly have a considerable impact on the MENJS. These commitments do not appear to be sustainable given their opposing

terms, and the GOH has yet to undertake considerable efforts to materialize both agreements.

- 4.19 In sum, it appears that the GOH will not be in a position to sustain alone the fiscal impact of the project in the short and medium term, and that it will maintain the level and composition of expenditures in the MENJS as it has been in the recent past (the authorities are already establishing the necessary contacts with other donors -EU and others- to ensure financing of the costs of this project). This scenario seems more realistic given the fact that the GOH appears to have reached a peak in its efforts to mobilize domestic resources through considerable improvements in the tax structure and tax administration during the last four years. Given the Government's limited resources and the prevailing economic situation it is not encouraging to expect an increase in parents' and private sector contributions to the educational system. Thus, the weak fiscal sustainability of the project are not going to be overcome in the short -and medium- term. To help solve the situation in the long run, this project will ensure that a program is established and agreed with the GOH to undertake a sound strategy to establish an appropriate financing system that would ensure fiscal sustainability in the period after the execution of the BEP.

5. Social and Environmental Feasibility

- 4.20 The project's activities will focus on poor, rural and marginal urban zones. The social impact of the project will benefit all groups, but it will be particularly beneficial to girls. The project will address gender issues by supporting deliberate initiatives aimed at boosting the school attendance of girls and improving their education and skills, so that new opportunities will be available to them. The project coordinating team (PCT) will be responsible to ensure that gender stereotypes are removed from all teaching materials to be developed in the course of the project, and will provide for gender analyses to be conducted periodically as part of the standard monitoring procedures.
- 4.21 The construction and rehabilitation works to be financed through the project will not have adverse environmental impact. Civil works executed through the FAES or local nongovernmental organizations will comply with construction norms and environmental guidelines acceptable to the Bank.

B. Benefits

- 4.22 In addition to its positive social impact, the proposed investment will yield two types of economic benefits: (i) those stemming from improved internal efficiency of the system, through a reduction of repetition, absenteeism, and dropout rates in low-income areas; and (ii) those produced by better external efficiency through substantially enhanced quality of the education imparted. Both have a high rate of economic return. The former will free resources as a

result of savings in costs, while the latter will have an impact on the productivity of labor and the efficiency of subsequent school levels.

C. Risks

- 4.23 Two main risk factors may affect project performance: (i) management weaknesses of MENJS at the central and regional levels; and (ii) inadequate domestic resources for maintenance of facilities, equipment and functions supported by the project.

1. Institutional constraints

- 4.24 Given the preeminent role played by the nonpublic sector in the delivery of educational services, the MENJS has recognized the strategic importance of developing a partnership with the nonpublic sector, if the coverage and quality of education is to be improved. However, the political feasibility of this partnership is still unclear. The Haitian Parliament has opposed attempts to channel donor resources to the nonpublic sector. In this respect, the MENJS has stepped up efforts to make its partnership strategy clear and keep Parliament well informed of the proposed project initiatives.

- 4.25 The weak management capability of the MENJS presents an inherent risk for this project given the demand-driven and decentralized approach to the allocation of resources, especially in all school-based initiatives. The project team is aware of this risk and has designed an implementation mechanism that provides technical assistance to all permanent units of the MENJS to enable them to take responsibility for its different activities. In addition, the school-based initiatives will be monitored by steering committees composed of community members and NGO representatives who will ensure that schools get a complete package of inputs, such as teacher training, materials, infrastructure improvements, etc. Reliance on objective and transparent criteria and procedures in targeting and allocating resources is expected to reduce the risk of political interference, which has been an issue in the past, and ensure that project activities are directed at improving educational equity, quality and efficiency.

2. Fiscal Constraints

- 4.26 The fiscal sustainability of the project is dependent on the ability and willingness of the Government and the nonpublic sector to generate additional revenues to finance the recurrent costs associated with this investment. Although relatively modest in the first phase, the recurrent costs generated by the project will consist mainly of: (i) the increased staff required at national, regional, district and local levels during execution of the project; (ii) the added outlays needed to provide proper maintenance for the equipment and vehicles purchased; (iii) timely replacement of school textbooks; (iv) the necessary operating

outlays to continue the school-based initiatives program; and (v) the expense of physical maintenance of the classrooms and other facilities repaired or constructed during execution of the project. As indicated in the fiscal financial sustainability section above, after completion of the investment, the added recurrent costs resulting from the project would represent a significant percentage of the MENJS budget. Whether the additional resources needed will be available remains an uncertainty, however, the project represents an important effort to address the dismal situation of the education sector and seeks to establish permanent implementation mechanisms and planning capacity.

LOGICAL FRAMEWORK

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	KEY ASSUMPTIONS
<p>Goal (Country Strategy) To contribute to poverty reduction in Haiti by enhancing the capacity of young Haitians to join the work force, earn higher incomes, and improve their living conditions.</p>	<p>Intended impacts (by 2008) 1. Gainful employment of 15-24 age groups significantly increased nation-wide 2. Real income of 15-24 age groups significantly increased 3. Lower infant mortality rates attributable to improved health status of mothers in 15-24 age groups</p>	<ul style="list-style-type: none"> Census and annual socio-economic data generated by IHSI Results of surveys conducted by BEP evaluators in selected areas Epidemiological surveys (EMMUS) 	<ul style="list-style-type: none"> Steady increase of employment opportunities in urban/rural areas Widespread agricultural and other extension programs in rural areas Limited rural-urban migration of literate 15-24 age groups
<p>Goal of the PNEF Increase and improve the educational services to the population, particularly in the most vulnerable sectors.</p>	<ol style="list-style-type: none"> Percentage of budget allocated to education Number of beneficiaries Number of graduates (1,300,000 from elementary school; 500,000 secondary school; 30,000 higher education and 400,000 from pre-school) 25% increase in revenues for graduates 	<ul style="list-style-type: none"> Budget DPE surveys IHSI 	<ul style="list-style-type: none"> Priorities remain unchanged Availability of financial resources Mobilization
<p>Project purpose To make the first two cycles of the primary education system more equitable, effective and efficient, by (i) sustaining and improving access to primary school facilities in targeted areas, (ii) improving the quality of primary education, and (iii) developing planning, management and evaluation capacities at regional, district, zone and school levels.</p>	<p>Outcomes at end of project (2004) 1.1 Student population at primary level (grades 1-6) has grown by 70,000 (50% in public sector) in targeted areas 1.2 NER increased by 10% nationwide (14% in rural areas, 12% for girls) at primary level 1.3 Repeater rates (years 1-6) decreased by 50% 1.4 Dropout rates (years 1-6) decreased by 30% 1.5 Scoring improved by 15 points in maths and reading at end of grades 3 and 5, in project-supported schools 1.6 All districts apply full micro-planning procedures 1.7 All schools inspected at least annually 1.8 25% of all schools managed with community inputs</p>	<ul style="list-style-type: none"> Relevant components of EMIS Data generated by BUNEXE Annual school census and micro-planning surveys Achievement tests designed by DCQ Progress and monitoring reports as prepared by DDEs 	<ul style="list-style-type: none"> Sustained enrollment of girls is promoted at large Pilot program focussing on over-aged student population is effective Teachers and school directors use newly acquired skills and materials More effective learning materials are designed and made available to students Students use newly acquired learning/reading materials

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	KEY ASSUMPTIONS
<p>Project purpose (Phase 1) To make the first two cycles of the primary education system more equitable, effective and efficient, by (i) sustaining and improving access to primary school facilities in targeted areas, (ii) improving the quality of primary education, and (iii) developing planning, management and evaluation capacities at regional, district, zone and school levels.</p>	<p>Outcomes at end of Phase I (2001) 1.1 Student population at primary level (grades 1-6) has grown by 22,000 (50% in public sector) in targeted areas 1.2 NER increased by 5% nationwide (7% in rural areas, 6% for girls) at primary level 1.3 Repeater rates (years 1 - 6) decreased by 25% 1.4 Dropout rates (years 1-6) decreased by 10% 1.5 Scoring improved by 10 points in maths and reading at end of grades 3 and 5, in project-supported schools 1.6 Extensive, valid and reliable micro-planning data available on annual basis for each district, by sector 1.7 50% of all schools inspected at least annually 1.8 15% of all schools managed with community inputs</p>	<ul style="list-style-type: none"> Relevant components of EMIS Data generated by BUNEXE Annual school census and micro-planning surveys Achievement tests designed by DCQ Progress and monitoring reports as prepared by DDEs Content analysis of selected information sub-systems as developed and implemented at all levels 	<ul style="list-style-type: none"> Sustained enrollment of girls is promoted in all targeted areas Teachers and directors use newly acquired skills and materials Students use newly acquired learning/reading materials Valid and reliable baseline data for BEP made available as required
<p>Outputs for Component 1 1.1 Sustainability of initial supply improved in targeted areas through upgrading of selected public and non-public school facilities</p>	<p>Results: Access (Phase I) 1.1.1 660 classrooms rehabilitated 1.1.2 660 classrooms furnished and equipped 1.1.3 Maintenance plans endorsed by school management committees</p>	<ul style="list-style-type: none"> DGS/DDE progress and monitoring reports FAES progress reports Annual surveys by external monitor 	<ul style="list-style-type: none"> FAES is capable of managing the delivery of outputs as planned
<p>1.2 Access improved in targeted areas through sustainable expansion of selected public and non-public school infrastructure</p>	<p>1.2.1 270 classrooms reconstructed 1.2.2 210 additional classrooms established 1.2.3 480 classrooms furnished and equipped 1.2.4 Maintenance plans endorsed by school management committees</p>	<ul style="list-style-type: none"> DGS/DDE progress and monitoring reports FAES progress reports Annual surveys by external monitor 	<ul style="list-style-type: none"> See assumption for 1.1 Each reconstructed classroom accommodates 20 additional students and each additional classroom accommodates 50 students
<p>1.3 Improved supply of services offered by selected public and non-public sector organizations, through application of partnership mechanism making use of financial incentives and norm setting measures</p>	<p>1.3 Student population increased by 3000 in non-public sector (targeted areas)</p>	<ul style="list-style-type: none"> Minutes of Steering Committee meetings DAEPP progress and monitoring reports 	<ul style="list-style-type: none"> Non-public sector partners fully collaborate with DAEPP CASECs are eligible

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	KEY ASSUMPTIONS
<p>Outputs for Component 2</p> <p>2.1 Teaching effectiveness enhanced through the establishment of 23 functional training facilities, and the delivery of in-service training programs for teachers, school directors and pedagogical advisors</p>	<p>Results : Quality (Phase I)</p> <p>2.1.1 One ENI converted into functional CFCE</p> <p>2.1.2 Establishment of 6 functional public-sector CFEFS</p> <p>2.1.3 16 functional training/resource centers (EFACAPS) established (including 10 in existing schools)</p> <p>2.1.4 100 staff (30 advisors, 10 directors, 60 teachers) able to operate EFACAPS effectively</p> <p>2.1.5 300.000 p./hours of basic in-service training received by up to 5000 teachers</p> <p>2.1.6 150.000 p./hours of advanced in-service training received by up to 4000 teachers</p> <p>2.1.7 120.000 p./hours of basic in-service training received by up to 2500 school directors</p> <p>2.1.8 90.000 p./hours of advanced in-service training received by up to 2500 school director</p> <p>2.1.9 36.000 p./h. of training for 150 pedagogical advisors</p>	<p>2.1.1 DGS/DDE progress reports</p> <p>2.1.2 DGS/DFP/DDE progress reports</p> <p>2.1.3 DFP/DDE progress reports</p> <p>2.1.4 Same as 2.1.3</p> <p>2.1.5 Same as 2.1.3</p> <p>2.1.6 Same as 2.1.3</p> <p>2.1.7 DGS/DDE progress reports</p> <p>2.1.8 DEF/DFP/DDE progress and monitoring reports</p> <p>2.1.9 SFP/DDE progress reports</p>	<ul style="list-style-type: none"> Curriculum designers and CFEF teaching staff are fully qualified Coordination within MENJS, as well as with non-public sector and projects (PAEH, UNICEF, etc.) is effective Entry tests for advanced training already developed by EXENP II
<p>2.2 Availability of basic materials designed to make the learning process more effective at the primary level</p>	<p>2.2.1 Guidelines on evaluation and design of teaching and learning materials</p> <p>2.2.2 22 specialists trained (1980 p./h.) to evaluate and design teaching and learning materials professionally</p> <p>2.2.3 Two specialists have completed study tour abroad</p> <p>2.2.4 1500 schools benefit from/maintain school kit</p> <p>2.2.5 10.500 school directors and teachers receive 46.200 pers./hours of training on school kits</p> <p>2.2.6 125.000 children use newly designed manuals</p> <p>2.2.7 3.300 teachers use newly designed teaching materials</p> <p>2.2.8 Guidelines on use of teaching/learning materials</p> <p>2.2.9 Students and families use 600.000 newly designed booklets to enhance their reading skills</p>	<p>2.2.1 Content analysis of guidelines</p> <p>2.2.2 DCA/DEF progress reports</p> <p>2.2.3 DCA report on study tour</p> <p>2.2.4 DDE progress reports</p> <p>2.2.5 DCA/DEF progress reports</p> <p>2.2.6 DDE progress reports</p> <p>2.2.7 Same as 2.2.6</p> <p>2.2.8 Content analysis of Guidelines</p> <p>2.2.9 DDE progress reports</p>	<ul style="list-style-type: none"> Contents of new materials reflect curricula revised according to new learning objectives established for grades 1-6

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	KEY ASSUMPTIONS
<p>2.3 Successful initiatives aimed at boosting the effectiveness of learning conditions in selected areas</p>	<p>2.3.1 900 schools have designed and are implementing a school pedagogical contract (CPE)</p> <p>2.3.2 700 schools have designed and are implementing a health/nutrition contract (CSNE)</p> <p>2.3.3 pilot program planned and in place, to reduce repeater and dropout rates</p> <p>2.3.4 Partnership mechanisms are developed with a view to improving the quality of selected educational services</p>	<p>2.3.1 DDE progress reports, and DEF/DFP monitoring reports</p> <p>2.3.2 DDE progress reports, and DEE/DDS monitoring reports</p> <p>2.3.3 Study report, policy statement, action plan, and DEF progress reports</p> <p>2.3.4 DAEPP progress reports</p>	<ul style="list-style-type: none"> Technical support for establishment and monitoring of CPEs and CSNEs is provided by PAEH MSPP (SSS + DDSS) collaborates with MENJS re: CSNEs
<p>Outputs for Component 3</p>	<p>Results: Governance (Phase I)</p>		
<p>3.1 Decentralized and effective educational management capacities</p>	<p>3.1.1 23 school district offices (BDS) established and made functional</p> <p>3.1.2 60 zone inspector offices (BIZ) established and made functional</p> <p>3.1.3 88,751 pers./hours of training received by 46 district inspectors and 313 zone inspectors</p> <p>3.1.4 Inspectors at all levels provided with guidelines</p>	<p>3.1.1 DDE progress reports</p> <p>3.1.2 Same as 3.1.1</p> <p>3.1.3 DEF/DFP monitoring reports</p> <p>3.1.4 DPCE/DDE progress reports</p>	<ul style="list-style-type: none"> Coordination within MENJS (especially between DEF, DFP, DPCE and DDEs) is effective
<p>3.2 Mechanisms to stimulate and sustain effective community involvement in school affairs</p>	<p>3.2.1 160 school-community partnerships established</p> <p>3.2.2 130 school management committees operational in 16 school clusters, located in 8 selected school districts</p>	<p>DDE/DAEPP progress reports</p>	<ul style="list-style-type: none"> School directors in selected areas agree to share leadership and responsibilities with community
<p>3.3 Management Information System (EMIS) developed as educational planning, monitoring and evaluation tool</p>	<p>3.3.1 Priority action plan</p> <p>3.3.2 DPCE and staff at DDE/District/Zone levels capable of conducting quality micro-planning surveys</p> <p>3.3.3 Annual micro-planning surveys</p> <p>3.3.4 Report on education costs</p> <p>3.3.5 Report on school attendance (GER + NER)</p> <p>3.3.6 Report on access to school facilities in rural areas</p>	<p>Content analysis of action plan, survey reports, and reports on priority issues</p> <p>DPCE/DDE progress reports</p>	<ul style="list-style-type: none"> PRI has developed draft action plan for integrated MIS Non-public sector partners fully collaborate with DPCE and DDEs
<p>3.4 More effective pedagogical evaluation procedures</p>	<p>3.4.1 Appropriate facilities for BUNEXE</p> <p>3.4.2 BUNEXE and DCQ coordinate annual examination procedures and publish results on schedule by end of Yr 2</p> <p>3.4.3 90 inspectors and 900 teachers provided by DCQ with training on use of new evaluation tools</p> <p>3.4.4 10 DDEs able to collect/process exam data</p> <p>3.4.5 National assessment on maths/reading for 3rd and 5th grade students published by DCQ</p>	<p>DDE progress reports</p> <p>DCQ progress reports</p> <p>BUNEXE progress reports</p>	<ul style="list-style-type: none"> Non-public sector school representatives comply with all basic evaluation requirements

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	KEY ASSUMPTIONS
3.5 Decentralized personnel management (PM) capabilities within MENJS structure	3.5.1 Appropriate facilities and office equipment for DP 3.5.2 3390 pers./hours of training in PM received by staff at central, DDE and district levels 3.5.3 Guidelines on PM used by 1850 personnel officers (HQ + DDEs), inspectors and school directors 3.5.4 10 DDEs able to reliably collect, process and use PM-related information 3.5.5 Report of study on PM 3.5.6 PM database for DP and 10 DDEs	3.5.1 In situ observation 3.5.2 DP progress reports 3.5.3 DP/DDE progress reports 3.5.4 DDE progress reports 3.5.5 Study report 3.5.6 DP/DDE progress reports	<ul style="list-style-type: none"> Coordination on PM between DP and DDEs, and with other projects (PRI, PAEH, etc.) is on-going and effective Subsidiarity principles applied throughout the PM system
3.6 DGS and DAEPP services enabled to operate effectively at central and local levels	3.6.1 DGS enabled to apply improved technical regulations/specifications for school construction and maintenance, and to apply full quality control to Component 1 outputs 3.6.2 DAEPP enabled to develop appropriate partnership mechanisms and to manage/monitor sub-components 1.3 and 3.2 effectively	3.6.1 DGS progress reports 3.6.2 DAEPP progress reports	
Inputs (Activities) Coordination of the project	Indicators for Phase I <ul style="list-style-type: none"> Project Coordinating Team (PCT) fully established, oriented, enabled and technically supported All DDEs oriented and fully enabled to manage Annual action and disbursement plans approved All coordination, supervision and monitoring mechanisms activated as required and scheduled Annual action and disbursement plans implemented 	<ul style="list-style-type: none"> Loan documents as signed by GoH/IDB/WB Annual action + disbursement plans BEP progress reports BEP financial reports 	<ul style="list-style-type: none"> Inputs (financial, human and material resources) required for project implementation are provided by all parties as planned Turnover within PCT is low
Monitoring, auditing and evaluation of the project	<ul style="list-style-type: none"> Project field-monitored on a regular basis Progress & financial reports submitted as scheduled External financial audit conducted on annual basis External evaluation conducted at beginning of Year 3 	<ul style="list-style-type: none"> Project M&E framework Progress and financial reports Annual financial audit reports External evaluation report 	

ANNEX I

(HA-0038)

Page 6 of 8

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	KEY ASSUMPTIONS
1.1 + 1.2 Upgrading, expansion and maintenance of school infrastructure	<p>1.1 Improved regulations and norms elaborated</p> <p>1.2 Protocol negotiated and signed with FAES</p> <p>1.3 School eligibility and selection criteria applied</p> <p>1.4 Maintenance plans endorsed by all beneficiaries</p> <p>1.5 School equipment procured and delivered as required</p> <p>1.6 Full quality control mechanisms applied by DGS</p> <p>1.7 Annual surveys conducted by external monitor</p>	<ul style="list-style-type: none"> DGS/DDE progress and monitoring reports FAES progress reports Annual survey reports by external monitor 	
1.3 Application of partnership mechanisms to improve access to services offered by public and non-public sector organizations	<p>1.3.1 Quarterly meetings of Steering Committee on partnership</p> <p>1.3.2 Partnership mechanisms activated and disbursements made on basis of eligibility criteria</p>	<ul style="list-style-type: none"> Minutes of Steering Committee meetings DAEPP progress and monitoring reports 	
2.1 Development and enhancement of teaching effectiveness	<p>2.1.1 Bidding documents and contracts prepared for the rehabilitation/establishment of training facilities</p> <p>2.1.2 Rehabilitation activities monitored by DGS</p> <p>2.1.3 Training units set up/enabled at DDE level</p> <p>2.1.4 Training plans designed and approved</p> <p>2.1.5 Trainers trained to implement plans as approved</p> <p>2.1.6 Training services contracted when necessary</p> <p>2.1.7 Trainees selected</p> <p>2.1.8 Training programs delivered under DFP guidance</p>	<ul style="list-style-type: none"> Bids and contracts DGS progress/monitoring reports DFP and DDE progress reports Training plans as approved Training contracts or TORs Selection criteria as approved Evaluation reports by trainers 	<ul style="list-style-type: none"> Timely adoption of new legislation on CFEF concept
2.2 Development and provision of learning and teaching materials	<p>2.2.1 Guidelines on evaluation/design of learning and teaching materials are prepared and distributed</p> <p>2.2.2 Training/study tours organized for 22/2 specialists</p> <p>2.2.3 Eligibility criteria for school kits applied to all schools in both public and non-public sectors</p> <p>2.2.4 School kits and guidelines procured and distributed</p> <p>2.2.5 Newly designed manuals, reading materials and teaching aids procured and distributed</p> <p>2.2.6 Inspectors, school directors and teachers trained on use and maintenance of school kits</p>	<ul style="list-style-type: none"> DCQ progress reports DDE progress reports DEF progress reports Guidelines on use of school kits Guidelines on evaluation/design 	

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	KEY ASSUMPTIONS
2.3 Development of more effective learning processes in selected areas	2.3.1 Eligibility criteria for demand-driven CPEs and CSNEs made known to stakeholders and applied 2.3.2 CPEs and CSNEs developed and negotiated 2.3.3 CPEs and CSNEs monitored by DEE/DEF/DSS 2.3.4 Policy statement and action plan on repeater and dropout rates prepared 2.3.5 pilot program for repeaters/dropouts implemented 2.3.6 Partnership mechanisms set up by DAEPP under supervision of Steering Committee	<ul style="list-style-type: none"> DDE progress reports DEF monitoring reports DEE/DSS monitoring reports Study report on repeaters/dropouts Policy statement and action plan on repeaters/dropouts DAEPP progress reports 	<ul style="list-style-type: none"> A TC allows the MENJS to conduct a study on over-aged student population (Year I)
3.1 Development of decentralized educational management capacities	3.1.1 DEF, DFP, DDE and DGS agenda highly coordinated 3.1.2 Bidding documents and contracts prepared for the establishment of BDS and BIZ facilities 3.1.3 Construction activities monitored by DGS 3.1.4 Equipments procured and distributed 3.1.5 Training plans developed and approved 3.1.6 CFCE properly enabled as training institution 3.1.7 Training programs delivered by CFCE 3.1.8 Operational guidelines prepared/distributed	<ul style="list-style-type: none"> DDE progress reports DPCE progress reports DGS progress/monitoring reports DEF/DFP monitoring reports 	
3.2 Establishment of mechanisms to stimulate and sustain community involvement	3.2.1 All school eligibility criteria applied 3.2.2 Selected school directors briefed/educated on merits of community involvement in school affairs 3.2.3 Partnerships experimented and developed 3.2.4 School management committees established and supported	<ul style="list-style-type: none"> DDE progress reports DAEPP progress reports 	
3.3 Establishment and development of EMIS	3.3.1 Priority action plan prepared by DPCE with DDEs 3.3.2 DPCE and staff at DDE/District/Zone levels enabled to conduct quality, decision-oriented micro-planning surveys 3.3.3 Micro-planning data collected, processed, analysed 3.3.4 Studies conducted on education costs, school attendance, and access to school facilities in rural areas	<ul style="list-style-type: none"> Action plan DPCE/DDE progress reports Micro-planning data Reports on priority issues 	<ul style="list-style-type: none"> System components initially designed by PRI (UNDP/UNESCO) are appropriate and useful

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	KEY ASSUMPTIONS
3.4 Development of pedagogical evaluation tools and capabilities	3.4.1 BUNEXE provided with appropriate facilities 3.4.2 Technical assistance provided to BUNEXE + DCQ 3.4.3 DDEs enabled to supervise exams, and to collect and process data 3.4.4 Inspectors and teachers trained to use new tools 3.4.5 Guidelines on certification/evaluation procedures prepared and distributed 3.4.5 DCQ conducts national assessment and publishes results	<ul style="list-style-type: none"> DDE progress reports BUNEXE progress reports 	
3.5 Strengthening of decentralized personnel management (PM) functions within MENJS structure	3.5.1 DP provided with appropriate facilities at HQ 3.5.2 Training plan in PM prepared and approved 3.5.3 MENJS staff at central, DDE and district levels trained in PM 3.5.4 Guidelines on PM prepared and distributed 3.5.5 DDEs enabled to collect, process and use PM-related information 3.5.6 Two seminars and a study on PM carried out 3.5.7 PM database installed by DP and DDEs	<ul style="list-style-type: none"> DP progress reports DDE progress reports Study on PM 	
3.6 Enabling of DGS and DAEPP for decentralized management and monitoring functions	3.6.1 DGS provided with appropriate equipment, training, and technical assistance on norms and specifications 3.6.2 DAEPP provided with appropriate equipment and technical assistance on partnership mechanisms	<ul style="list-style-type: none"> DGS progress reports DAEPP progress reports 	

KEY INDICATORS (Phase I)
BASIC EDUCATION PROJECT (HA-0038)

The indicators shown in the table below are key project performance indicators that will trigger the passage from Phase I to Phase II. They include both process indicators, such as those dealing with studies conducted and schools visited by inspectors, and indicators of immediate impact, e.g., growth of student population at the primary level.

Performance Indicators	
Area	Indicator
Expansion of basic education system	Student population at primary level (grades 1-6) has grown by at least 14,000 in targeted areas during 1999 and 2000
Establishment of functional management mechanisms	<p>a) at least 10% of all schools are managed with community inputs by 31/12/00;</p> <p>b) at least 35% of all schools have been inspected by 31/12/00;</p> <p>c) by 31/12/00, at least 800 schools have entered into a contract for implementing at least one school-based improvement strategy.</p>
Better knowledge of the evolving basic education system	<p>a) studies on basic education costs and financing have been conducted and published by 31/12/00;</p> <p>b) results of a national assessment on math and reading for 3rd. and 5th. grade students have been published by DCQ by 31/12/00;</p> <p>c) pre-service and in-service training programs delivered to 800 (pre-service) and 7200 (in-service) teachers and school directors under DFP guidance have been evaluated by 31/12/00.</p>

PROCUREMENT PLAN

ITEMS	FUNDING	BIDDING PROCEDURE	PRE- QUALIFICATION	DATES (YEAR)
1. Improved Access				
1.1 Infrastructure (US\$11,345,600). Assorted packages, by geographical area	IDB/IBRD 92% GoH 8%	FAES LCB/shopping	—	1/99 to 3/01
1.2 Equipment (US\$1,975,300). Assorted packages (by geograph. area for school furniture)	IDB/IBRD 100%	ICB/LCB/ shopping/ direct	No	1/99 to 3/01
1.3 Vehicles (US\$73,700). Year I only	IDB/IBRD 100%	LCB Shopping	No	4/98
1.4 Consulting services (US\$992,200). Various short-term contracts (training, studies, etc.)	IDB/IBRD 100%	Shopping	No	4/98 to 3/01
2. Improved Quality				
2.1 Infrastructure (US\$4,709,300). Assorted packages.	IDB/IBRD 100%	LCB Shopping	No	1/99 to 4/01
2.2 Furnishings & equipment (US\$5,911,000). Assorted packages, over 3 year period	IDB/IBRD 100%	ICB/LCB Shopping/direct	No	1/99 to 4/01
2.3 Vehicles (US\$356,000). Double-cabin trucks and motorcycles. Over 3 year period.	IDB/IBRD 100%	LCB Shopping	No	4/98 to 3/01
2.4 Printing. Assorted packages (US\$2,205,600)	IDB/IBRD 97% GoH 3%	ICB/LCB Shopping	No	1/99 to 4/01
2.5 Consulting services (US\$7,812,900). Various short-term contracts (incl. studies)	IDB/IBRD 100%	Shopping	No	4/98 to 3/01
2.6 Incentive Fund (US\$2,736,300). Assorted packages	IDB/IBRD 100%	LCBShopping/direct	No	4/98 to 3/01
3. Improved Management				
3.1 Infrastructure (US\$2,204,100). Assorted packages	IDB/IBRD 100%	LCB/shopping	No	1/99 to 4/01
3.2 Furnishings & equipment (US\$615,800). Assorted packages	IDB/IBRD 100%	LCB/shopping direct	No	1/99 to 4/01
3.3 Vehicles (US\$390,700). Double-cabin trucks and motorcycles. Over 3 year period	IDB/IBRD 100%	LCB/shopping	No	1/99 to 4/01
3.4 Community Participation Fund (US\$646,400)				
3.5 Consulting services (US\$3,416,900). Various short-term contracts (incl. studies)	IDB/IBRD 100%	Shopping	No	4/98 to 3/01

ITEMS	FUNDING	BIDDING PROCEDURE	PRE- QUALIFICATION	DATES (YEAR)
4. Project coordination team				
4.1 Furnishings and equipment (US\$233,700). Assorted packages	IDB/IBRD 100%	LCB/shopping direct	No	4/98 to 3/01
4.2 Consulting services (US1,769,100). Various short-term contracts (training, studies, etc.)	IDB/IBRD 100%	Shopping	No	4/98 to 3/01

ICB: International competitive bidding

Civil works: > US\$ 1 million

Equipments: > US\$ 250,000

Services: > US\$ 200,000

LCB: Local competitive bidding

Civil works: > US\$ 75,000

Equipments: > US\$ 75,000

Services: > US\$ 30,000

Direct: Direct contracting